



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5687

by Rep. Elaine Nekritz

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.4-3	from Ch. 24, par. 11-74.4-3
65 ILCS 5/11-74.4-3.3 new	
65 ILCS 5/11-74.4-3.5	
65 ILCS 5/11-74.4-4	from Ch. 24, par. 11-74.4-4
65 ILCS 5/11-74.4-8	from Ch. 24, par. 11-74.4-8

Amends the Illinois Municipal Code. Creates a Section in the Tax Increment Allocation Redevelopment Act concerning redevelopment projects within a transit facility improvement area. Provides that an ordinance approving a transit facility improvement area redevelopment project expires the 50th calendar year after the date approving the ordinance was adopted. Sets forth percentages of taxes to be allocated toward transit facility improvement area redevelopment projects. Defines required terms.

LRB098 17011 JLK 52095 b

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Municipal Code is amended by
5 changing Sections 11-74.4-3, 11-74.4-3.5, 11-74.4-4, and
6 11-74.4-8 and by adding Section 11-74.4-3.3 as follows:

7 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

8 Sec. 11-74.4-3. Definitions. The following terms, wherever
9 used or referred to in this Division 74.4 shall have the
10 following respective meanings, unless in any case a different
11 meaning clearly appears from the context.

12 (a) For any redevelopment project area that has been
13 designated pursuant to this Section by an ordinance adopted
14 prior to November 1, 1999 (the effective date of Public Act
15 91-478), "blighted area" shall have the meaning set forth in
16 this Section prior to that date.

17 On and after November 1, 1999, "blighted area" means any
18 improved or vacant area within the boundaries of a
19 redevelopment project area located within the territorial
20 limits of the municipality where:

21 (1) If improved, industrial, commercial, and
22 residential buildings or improvements are detrimental to
23 the public safety, health, or welfare because of a

1 combination of 5 or more of the following factors, each of
2 which is (i) present, with that presence documented, to a
3 meaningful extent so that a municipality may reasonably
4 find that the factor is clearly present within the intent
5 of the Act and (ii) reasonably distributed throughout the
6 improved part of the redevelopment project area:

7 (A) Dilapidation. An advanced state of disrepair
8 or neglect of necessary repairs to the primary
9 structural components of buildings or improvements in
10 such a combination that a documented building
11 condition analysis determines that major repair is
12 required or the defects are so serious and so extensive
13 that the buildings must be removed.

14 (B) Obsolescence. The condition or process of
15 falling into disuse. Structures have become ill-suited
16 for the original use.

17 (C) Deterioration. With respect to buildings,
18 defects including, but not limited to, major defects in
19 the secondary building components such as doors,
20 windows, porches, gutters and downspouts, and fascia.
21 With respect to surface improvements, that the
22 condition of roadways, alleys, curbs, gutters,
23 sidewalks, off-street parking, and surface storage
24 areas evidence deterioration, including, but not
25 limited to, surface cracking, crumbling, potholes,
26 depressions, loose paving material, and weeds

1 protruding through paved surfaces.

2 (D) Presence of structures below minimum code
3 standards. All structures that do not meet the
4 standards of zoning, subdivision, building, fire, and
5 other governmental codes applicable to property, but
6 not including housing and property maintenance codes.

7 (E) Illegal use of individual structures. The use
8 of structures in violation of applicable federal,
9 State, or local laws, exclusive of those applicable to
10 the presence of structures below minimum code
11 standards.

12 (F) Excessive vacancies. The presence of buildings
13 that are unoccupied or under-utilized and that
14 represent an adverse influence on the area because of
15 the frequency, extent, or duration of the vacancies.

16 (G) Lack of ventilation, light, or sanitary
17 facilities. The absence of adequate ventilation for
18 light or air circulation in spaces or rooms without
19 windows, or that require the removal of dust, odor,
20 gas, smoke, or other noxious airborne materials.
21 Inadequate natural light and ventilation means the
22 absence of skylights or windows for interior spaces or
23 rooms and improper window sizes and amounts by room
24 area to window area ratios. Inadequate sanitary
25 facilities refers to the absence or inadequacy of
26 garbage storage and enclosure, bathroom facilities,

1 hot water and kitchens, and structural inadequacies
2 preventing ingress and egress to and from all rooms and
3 units within a building.

4 (H) Inadequate utilities. Underground and overhead
5 utilities such as storm sewers and storm drainage,
6 sanitary sewers, water lines, and gas, telephone, and
7 electrical services that are shown to be inadequate.
8 Inadequate utilities are those that are: (i) of
9 insufficient capacity to serve the uses in the
10 redevelopment project area, (ii) deteriorated,
11 antiquated, obsolete, or in disrepair, or (iii)
12 lacking within the redevelopment project area.

13 (I) Excessive land coverage and overcrowding of
14 structures and community facilities. The
15 over-intensive use of property and the crowding of
16 buildings and accessory facilities onto a site.
17 Examples of problem conditions warranting the
18 designation of an area as one exhibiting excessive land
19 coverage are: (i) the presence of buildings either
20 improperly situated on parcels or located on parcels of
21 inadequate size and shape in relation to present-day
22 standards of development for health and safety and (ii)
23 the presence of multiple buildings on a single parcel.
24 For there to be a finding of excessive land coverage,
25 these parcels must exhibit one or more of the following
26 conditions: insufficient provision for light and air

1 within or around buildings, increased threat of spread
2 of fire due to the close proximity of buildings, lack
3 of adequate or proper access to a public right-of-way,
4 lack of reasonably required off-street parking, or
5 inadequate provision for loading and service.

6 (J) Deleterious land use or layout. The existence
7 of incompatible land-use relationships, buildings
8 occupied by inappropriate mixed-uses, or uses
9 considered to be noxious, offensive, or unsuitable for
10 the surrounding area.

11 (K) Environmental clean-up. The proposed
12 redevelopment project area has incurred Illinois
13 Environmental Protection Agency or United States
14 Environmental Protection Agency remediation costs for,
15 or a study conducted by an independent consultant
16 recognized as having expertise in environmental
17 remediation has determined a need for, the clean-up of
18 hazardous waste, hazardous substances, or underground
19 storage tanks required by State or federal law,
20 provided that the remediation costs constitute a
21 material impediment to the development or
22 redevelopment of the redevelopment project area.

23 (L) Lack of community planning. The proposed
24 redevelopment project area was developed prior to or
25 without the benefit or guidance of a community plan.
26 This means that the development occurred prior to the

1 adoption by the municipality of a comprehensive or
2 other community plan or that the plan was not followed
3 at the time of the area's development. This factor must
4 be documented by evidence of adverse or incompatible
5 land-use relationships, inadequate street layout,
6 improper subdivision, parcels of inadequate shape and
7 size to meet contemporary development standards, or
8 other evidence demonstrating an absence of effective
9 community planning.

10 (M) The total equalized assessed value of the
11 proposed redevelopment project area has declined for 3
12 of the last 5 calendar years prior to the year in which
13 the redevelopment project area is designated or is
14 increasing at an annual rate that is less than the
15 balance of the municipality for 3 of the last 5
16 calendar years for which information is available or is
17 increasing at an annual rate that is less than the
18 Consumer Price Index for All Urban Consumers published
19 by the United States Department of Labor or successor
20 agency for 3 of the last 5 calendar years prior to the
21 year in which the redevelopment project area is
22 designated.

23 (2) If vacant, the sound growth of the redevelopment
24 project area is impaired by a combination of 2 or more of
25 the following factors, each of which is (i) present, with
26 that presence documented, to a meaningful extent so that a

1 municipality may reasonably find that the factor is clearly
2 present within the intent of the Act and (ii) reasonably
3 distributed throughout the vacant part of the
4 redevelopment project area to which it pertains:

5 (A) Obsolete platting of vacant land that results
6 in parcels of limited or narrow size or configurations
7 of parcels of irregular size or shape that would be
8 difficult to develop on a planned basis and in a manner
9 compatible with contemporary standards and
10 requirements, or platting that failed to create
11 rights-of-ways for streets or alleys or that created
12 inadequate right-of-way widths for streets, alleys, or
13 other public rights-of-way or that omitted easements
14 for public utilities.

15 (B) Diversity of ownership of parcels of vacant
16 land sufficient in number to retard or impede the
17 ability to assemble the land for development.

18 (C) Tax and special assessment delinquencies exist
19 or the property has been the subject of tax sales under
20 the Property Tax Code within the last 5 years.

21 (D) Deterioration of structures or site
22 improvements in neighboring areas adjacent to the
23 vacant land.

24 (E) The area has incurred Illinois Environmental
25 Protection Agency or United States Environmental
26 Protection Agency remediation costs for, or a study

1 conducted by an independent consultant recognized as
2 having expertise in environmental remediation has
3 determined a need for, the clean-up of hazardous waste,
4 hazardous substances, or underground storage tanks
5 required by State or federal law, provided that the
6 remediation costs constitute a material impediment to
7 the development or redevelopment of the redevelopment
8 project area.

9 (F) The total equalized assessed value of the
10 proposed redevelopment project area has declined for 3
11 of the last 5 calendar years prior to the year in which
12 the redevelopment project area is designated or is
13 increasing at an annual rate that is less than the
14 balance of the municipality for 3 of the last 5
15 calendar years for which information is available or is
16 increasing at an annual rate that is less than the
17 Consumer Price Index for All Urban Consumers published
18 by the United States Department of Labor or successor
19 agency for 3 of the last 5 calendar years prior to the
20 year in which the redevelopment project area is
21 designated.

22 (3) If vacant, the sound growth of the redevelopment
23 project area is impaired by one of the following factors
24 that (i) is present, with that presence documented, to a
25 meaningful extent so that a municipality may reasonably
26 find that the factor is clearly present within the intent

1 of the Act and (ii) is reasonably distributed throughout
2 the vacant part of the redevelopment project area to which
3 it pertains:

4 (A) The area consists of one or more unused
5 quarries, mines, or strip mine ponds.

6 (B) The area consists of unused rail yards, rail
7 tracks, or railroad rights-of-way.

8 (C) The area, prior to its designation, is subject
9 to (i) chronic flooding that adversely impacts on real
10 property in the area as certified by a registered
11 professional engineer or appropriate regulatory agency
12 or (ii) surface water that discharges from all or a
13 part of the area and contributes to flooding within the
14 same watershed, but only if the redevelopment project
15 provides for facilities or improvements to contribute
16 to the alleviation of all or part of the flooding.

17 (D) The area consists of an unused or illegal
18 disposal site containing earth, stone, building
19 debris, or similar materials that were removed from
20 construction, demolition, excavation, or dredge sites.

21 (E) Prior to November 1, 1999, the area is not less
22 than 50 nor more than 100 acres and 75% of which is
23 vacant (notwithstanding that the area has been used for
24 commercial agricultural purposes within 5 years prior
25 to the designation of the redevelopment project area),
26 and the area meets at least one of the factors itemized

1 in paragraph (1) of this subsection, the area has been
2 designated as a town or village center by ordinance or
3 comprehensive plan adopted prior to January 1, 1982,
4 and the area has not been developed for that designated
5 purpose.

6 (F) The area qualified as a blighted improved area
7 immediately prior to becoming vacant, unless there has
8 been substantial private investment in the immediately
9 surrounding area.

10 (4) A redevelopment project area within a transit
11 facility improvement area that has been designated under
12 Section 11-74.4-3.3 of this Code.

13 (b) For any redevelopment project area that has been
14 designated pursuant to this Section by an ordinance adopted
15 prior to November 1, 1999 (the effective date of Public Act
16 91-478), "conservation area" shall have the meaning set forth
17 in this Section prior to that date.

18 On and after November 1, 1999, "conservation area" means
19 any improved area within the boundaries of a redevelopment
20 project area located within the territorial limits of the
21 municipality in which 50% or more of the structures in the area
22 have an age of 35 years or more. Such an area is not yet a
23 blighted area but because of a combination of 3 or more of the
24 following factors is detrimental to the public safety, health,
25 morals or welfare and such an area may become a blighted area:

26 (1) Dilapidation. An advanced state of disrepair or

1 neglect of necessary repairs to the primary structural
2 components of buildings or improvements in such a
3 combination that a documented building condition analysis
4 determines that major repair is required or the defects are
5 so serious and so extensive that the buildings must be
6 removed.

7 (2) Obsolescence. The condition or process of falling
8 into disuse. Structures have become ill-suited for the
9 original use.

10 (3) Deterioration. With respect to buildings, defects
11 including, but not limited to, major defects in the
12 secondary building components such as doors, windows,
13 porches, gutters and downspouts, and fascia. With respect
14 to surface improvements, that the condition of roadways,
15 alleys, curbs, gutters, sidewalks, off-street parking, and
16 surface storage areas evidence deterioration, including,
17 but not limited to, surface cracking, crumbling, potholes,
18 depressions, loose paving material, and weeds protruding
19 through paved surfaces.

20 (4) Presence of structures below minimum code
21 standards. All structures that do not meet the standards of
22 zoning, subdivision, building, fire, and other
23 governmental codes applicable to property, but not
24 including housing and property maintenance codes.

25 (5) Illegal use of individual structures. The use of
26 structures in violation of applicable federal, State, or

1 local laws, exclusive of those applicable to the presence
2 of structures below minimum code standards.

3 (6) Excessive vacancies. The presence of buildings
4 that are unoccupied or under-utilized and that represent an
5 adverse influence on the area because of the frequency,
6 extent, or duration of the vacancies.

7 (7) Lack of ventilation, light, or sanitary
8 facilities. The absence of adequate ventilation for light
9 or air circulation in spaces or rooms without windows, or
10 that require the removal of dust, odor, gas, smoke, or
11 other noxious airborne materials. Inadequate natural light
12 and ventilation means the absence or inadequacy of
13 skylights or windows for interior spaces or rooms and
14 improper window sizes and amounts by room area to window
15 area ratios. Inadequate sanitary facilities refers to the
16 absence or inadequacy of garbage storage and enclosure,
17 bathroom facilities, hot water and kitchens, and
18 structural inadequacies preventing ingress and egress to
19 and from all rooms and units within a building.

20 (8) Inadequate utilities. Underground and overhead
21 utilities such as storm sewers and storm drainage, sanitary
22 sewers, water lines, and gas, telephone, and electrical
23 services that are shown to be inadequate. Inadequate
24 utilities are those that are: (i) of insufficient capacity
25 to serve the uses in the redevelopment project area, (ii)
26 deteriorated, antiquated, obsolete, or in disrepair, or

1 (iii) lacking within the redevelopment project area.

2 (9) Excessive land coverage and overcrowding of
3 structures and community facilities. The over-intensive
4 use of property and the crowding of buildings and accessory
5 facilities onto a site. Examples of problem conditions
6 warranting the designation of an area as one exhibiting
7 excessive land coverage are: the presence of buildings
8 either improperly situated on parcels or located on parcels
9 of inadequate size and shape in relation to present-day
10 standards of development for health and safety and the
11 presence of multiple buildings on a single parcel. For
12 there to be a finding of excessive land coverage, these
13 parcels must exhibit one or more of the following
14 conditions: insufficient provision for light and air
15 within or around buildings, increased threat of spread of
16 fire due to the close proximity of buildings, lack of
17 adequate or proper access to a public right-of-way, lack of
18 reasonably required off-street parking, or inadequate
19 provision for loading and service.

20 (10) Deleterious land use or layout. The existence of
21 incompatible land-use relationships, buildings occupied by
22 inappropriate mixed-uses, or uses considered to be
23 noxious, offensive, or unsuitable for the surrounding
24 area.

25 (11) Lack of community planning. The proposed
26 redevelopment project area was developed prior to or

1 without the benefit or guidance of a community plan. This
2 means that the development occurred prior to the adoption
3 by the municipality of a comprehensive or other community
4 plan or that the plan was not followed at the time of the
5 area's development. This factor must be documented by
6 evidence of adverse or incompatible land-use
7 relationships, inadequate street layout, improper
8 subdivision, parcels of inadequate shape and size to meet
9 contemporary development standards, or other evidence
10 demonstrating an absence of effective community planning.

11 (12) The area has incurred Illinois Environmental
12 Protection Agency or United States Environmental
13 Protection Agency remediation costs for, or a study
14 conducted by an independent consultant recognized as
15 having expertise in environmental remediation has
16 determined a need for, the clean-up of hazardous waste,
17 hazardous substances, or underground storage tanks
18 required by State or federal law, provided that the
19 remediation costs constitute a material impediment to the
20 development or redevelopment of the redevelopment project
21 area.

22 (13) The total equalized assessed value of the proposed
23 redevelopment project area has declined for 3 of the last 5
24 calendar years for which information is available or is
25 increasing at an annual rate that is less than the balance
26 of the municipality for 3 of the last 5 calendar years for

1 which information is available or is increasing at an
2 annual rate that is less than the Consumer Price Index for
3 All Urban Consumers published by the United States
4 Department of Labor or successor agency for 3 of the last 5
5 calendar years for which information is available.

6 (c) "Industrial park" means an area in a blighted or
7 conservation area suitable for use by any manufacturing,
8 industrial, research or transportation enterprise, of
9 facilities to include but not be limited to factories, mills,
10 processing plants, assembly plants, packing plants,
11 fabricating plants, industrial distribution centers,
12 warehouses, repair overhaul or service facilities, freight
13 terminals, research facilities, test facilities or railroad
14 facilities.

15 (d) "Industrial park conservation area" means an area
16 within the boundaries of a redevelopment project area located
17 within the territorial limits of a municipality that is a labor
18 surplus municipality or within 1 1/2 miles of the territorial
19 limits of a municipality that is a labor surplus municipality
20 if the area is annexed to the municipality; which area is zoned
21 as industrial no later than at the time the municipality by
22 ordinance designates the redevelopment project area, and which
23 area includes both vacant land suitable for use as an
24 industrial park and a blighted area or conservation area
25 contiguous to such vacant land.

26 (e) "Labor surplus municipality" means a municipality in

1 which, at any time during the 6 months before the municipality
2 by ordinance designates an industrial park conservation area,
3 the unemployment rate was over 6% and was also 100% or more of
4 the national average unemployment rate for that same time as
5 published in the United States Department of Labor Bureau of
6 Labor Statistics publication entitled "The Employment
7 Situation" or its successor publication. For the purpose of
8 this subsection, if unemployment rate statistics for the
9 municipality are not available, the unemployment rate in the
10 municipality shall be deemed to be the same as the unemployment
11 rate in the principal county in which the municipality is
12 located.

13 (f) "Municipality" shall mean a city, village,
14 incorporated town, or a township that is located in the
15 unincorporated portion of a county with 3 million or more
16 inhabitants, if the county adopted an ordinance that approved
17 the township's redevelopment plan.

18 (g) "Initial Sales Tax Amounts" means the amount of taxes
19 paid under the Retailers' Occupation Tax Act, Use Tax Act,
20 Service Use Tax Act, the Service Occupation Tax Act, the
21 Municipal Retailers' Occupation Tax Act, and the Municipal
22 Service Occupation Tax Act by retailers and servicemen on
23 transactions at places located in a State Sales Tax Boundary
24 during the calendar year 1985.

25 (g-1) "Revised Initial Sales Tax Amounts" means the amount
26 of taxes paid under the Retailers' Occupation Tax Act, Use Tax

1 Act, Service Use Tax Act, the Service Occupation Tax Act, the
2 Municipal Retailers' Occupation Tax Act, and the Municipal
3 Service Occupation Tax Act by retailers and servicemen on
4 transactions at places located within the State Sales Tax
5 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

6 (h) "Municipal Sales Tax Increment" means an amount equal
7 to the increase in the aggregate amount of taxes paid to a
8 municipality from the Local Government Tax Fund arising from
9 sales by retailers and servicemen within the redevelopment
10 project area or State Sales Tax Boundary, as the case may be,
11 for as long as the redevelopment project area or State Sales
12 Tax Boundary, as the case may be, exist over and above the
13 aggregate amount of taxes as certified by the Illinois
14 Department of Revenue and paid under the Municipal Retailers'
15 Occupation Tax Act and the Municipal Service Occupation Tax Act
16 by retailers and servicemen, on transactions at places of
17 business located in the redevelopment project area or State
18 Sales Tax Boundary, as the case may be, during the base year
19 which shall be the calendar year immediately prior to the year
20 in which the municipality adopted tax increment allocation
21 financing. For purposes of computing the aggregate amount of
22 such taxes for base years occurring prior to 1985, the
23 Department of Revenue shall determine the Initial Sales Tax
24 Amounts for such taxes and deduct therefrom an amount equal to
25 4% of the aggregate amount of taxes per year for each year the
26 base year is prior to 1985, but not to exceed a total deduction

1 of 12%. The amount so determined shall be known as the
2 "Adjusted Initial Sales Tax Amounts". For purposes of
3 determining the Municipal Sales Tax Increment, the Department
4 of Revenue shall for each period subtract from the amount paid
5 to the municipality from the Local Government Tax Fund arising
6 from sales by retailers and servicemen on transactions located
7 in the redevelopment project area or the State Sales Tax
8 Boundary, as the case may be, the certified Initial Sales Tax
9 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
10 Initial Sales Tax Amounts for the Municipal Retailers'
11 Occupation Tax Act and the Municipal Service Occupation Tax
12 Act. For the State Fiscal Year 1989, this calculation shall be
13 made by utilizing the calendar year 1987 to determine the tax
14 amounts received. For the State Fiscal Year 1990, this
15 calculation shall be made by utilizing the period from January
16 1, 1988, until September 30, 1988, to determine the tax amounts
17 received from retailers and servicemen pursuant to the
18 Municipal Retailers' Occupation Tax and the Municipal Service
19 Occupation Tax Act, which shall have deducted therefrom
20 nine-twelfths of the certified Initial Sales Tax Amounts, the
21 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
22 Tax Amounts as appropriate. For the State Fiscal Year 1991,
23 this calculation shall be made by utilizing the period from
24 October 1, 1988, to June 30, 1989, to determine the tax amounts
25 received from retailers and servicemen pursuant to the
26 Municipal Retailers' Occupation Tax and the Municipal Service

1 Occupation Tax Act which shall have deducted therefrom
2 nine-twelfths of the certified Initial Sales Tax Amounts,
3 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
4 Tax Amounts as appropriate. For every State Fiscal Year
5 thereafter, the applicable period shall be the 12 months
6 beginning July 1 and ending June 30 to determine the tax
7 amounts received which shall have deducted therefrom the
8 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
9 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
10 case may be.

11 (i) "Net State Sales Tax Increment" means the sum of the
12 following: (a) 80% of the first \$100,000 of State Sales Tax
13 Increment annually generated within a State Sales Tax Boundary;
14 (b) 60% of the amount in excess of \$100,000 but not exceeding
15 \$500,000 of State Sales Tax Increment annually generated within
16 a State Sales Tax Boundary; and (c) 40% of all amounts in
17 excess of \$500,000 of State Sales Tax Increment annually
18 generated within a State Sales Tax Boundary. If, however, a
19 municipality established a tax increment financing district in
20 a county with a population in excess of 3,000,000 before
21 January 1, 1986, and the municipality entered into a contract
22 or issued bonds after January 1, 1986, but before December 31,
23 1986, to finance redevelopment project costs within a State
24 Sales Tax Boundary, then the Net State Sales Tax Increment
25 means, for the fiscal years beginning July 1, 1990, and July 1,
26 1991, 100% of the State Sales Tax Increment annually generated

1 within a State Sales Tax Boundary; and notwithstanding any
2 other provision of this Act, for those fiscal years the
3 Department of Revenue shall distribute to those municipalities
4 100% of their Net State Sales Tax Increment before any
5 distribution to any other municipality and regardless of
6 whether or not those other municipalities will receive 100% of
7 their Net State Sales Tax Increment. For Fiscal Year 1999, and
8 every year thereafter until the year 2007, for any municipality
9 that has not entered into a contract or has not issued bonds
10 prior to June 1, 1988 to finance redevelopment project costs
11 within a State Sales Tax Boundary, the Net State Sales Tax
12 Increment shall be calculated as follows: By multiplying the
13 Net State Sales Tax Increment by 90% in the State Fiscal Year
14 1999; 80% in the State Fiscal Year 2000; 70% in the State
15 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
16 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
17 in the State Fiscal Year 2005; 20% in the State Fiscal Year
18 2006; and 10% in the State Fiscal Year 2007. No payment shall
19 be made for State Fiscal Year 2008 and thereafter.

20 Municipalities that issued bonds in connection with a
21 redevelopment project in a redevelopment project area within
22 the State Sales Tax Boundary prior to July 29, 1991, or that
23 entered into contracts in connection with a redevelopment
24 project in a redevelopment project area before June 1, 1988,
25 shall continue to receive their proportional share of the
26 Illinois Tax Increment Fund distribution until the date on

1 which the redevelopment project is completed or terminated. If,
2 however, a municipality that issued bonds in connection with a
3 redevelopment project in a redevelopment project area within
4 the State Sales Tax Boundary prior to July 29, 1991 retires the
5 bonds prior to June 30, 2007 or a municipality that entered
6 into contracts in connection with a redevelopment project in a
7 redevelopment project area before June 1, 1988 completes the
8 contracts prior to June 30, 2007, then so long as the
9 redevelopment project is not completed or is not terminated,
10 the Net State Sales Tax Increment shall be calculated,
11 beginning on the date on which the bonds are retired or the
12 contracts are completed, as follows: By multiplying the Net
13 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
14 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
15 2004; 30% in the State Fiscal Year 2005; 20% in the State
16 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
17 payment shall be made for State Fiscal Year 2008 and
18 thereafter. Refunding of any bonds issued prior to July 29,
19 1991, shall not alter the Net State Sales Tax Increment.

20 (j) "State Utility Tax Increment Amount" means an amount
21 equal to the aggregate increase in State electric and gas tax
22 charges imposed on owners and tenants, other than residential
23 customers, of properties located within the redevelopment
24 project area under Section 9-222 of the Public Utilities Act,
25 over and above the aggregate of such charges as certified by
26 the Department of Revenue and paid by owners and tenants, other

1 than residential customers, of properties within the
2 redevelopment project area during the base year, which shall be
3 the calendar year immediately prior to the year of the adoption
4 of the ordinance authorizing tax increment allocation
5 financing.

6 (k) "Net State Utility Tax Increment" means the sum of the
7 following: (a) 80% of the first \$100,000 of State Utility Tax
8 Increment annually generated by a redevelopment project area;
9 (b) 60% of the amount in excess of \$100,000 but not exceeding
10 \$500,000 of the State Utility Tax Increment annually generated
11 by a redevelopment project area; and (c) 40% of all amounts in
12 excess of \$500,000 of State Utility Tax Increment annually
13 generated by a redevelopment project area. For the State Fiscal
14 Year 1999, and every year thereafter until the year 2007, for
15 any municipality that has not entered into a contract or has
16 not issued bonds prior to June 1, 1988 to finance redevelopment
17 project costs within a redevelopment project area, the Net
18 State Utility Tax Increment shall be calculated as follows: By
19 multiplying the Net State Utility Tax Increment by 90% in the
20 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
21 in the State Fiscal Year 2001; 60% in the State Fiscal Year
22 2002; 50% in the State Fiscal Year 2003; 40% in the State
23 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
24 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
25 No payment shall be made for the State Fiscal Year 2008 and
26 thereafter.

1 Municipalities that issue bonds in connection with the
2 redevelopment project during the period from June 1, 1988 until
3 3 years after the effective date of this Amendatory Act of 1988
4 shall receive the Net State Utility Tax Increment, subject to
5 appropriation, for 15 State Fiscal Years after the issuance of
6 such bonds. For the 16th through the 20th State Fiscal Years
7 after issuance of the bonds, the Net State Utility Tax
8 Increment shall be calculated as follows: By multiplying the
9 Net State Utility Tax Increment by 90% in year 16; 80% in year
10 17; 70% in year 18; 60% in year 19; and 50% in year 20.
11 Refunding of any bonds issued prior to June 1, 1988, shall not
12 alter the revised Net State Utility Tax Increment payments set
13 forth above.

14 (1) "Obligations" mean bonds, loans, debentures, notes,
15 special certificates or other evidence of indebtedness issued
16 by the municipality to carry out a redevelopment project or to
17 refund outstanding obligations.

18 (m) "Payment in lieu of taxes" means those estimated tax
19 revenues from real property in a redevelopment project area
20 derived from real property that has been acquired by a
21 municipality which according to the redevelopment project or
22 plan is to be used for a private use which taxing districts
23 would have received had a municipality not acquired the real
24 property and adopted tax increment allocation financing and
25 which would result from levies made after the time of the
26 adoption of tax increment allocation financing to the time the

1 current equalized value of real property in the redevelopment
2 project area exceeds the total initial equalized value of real
3 property in said area.

4 (n) "Redevelopment plan" means the comprehensive program
5 of the municipality for development or redevelopment intended
6 by the payment of redevelopment project costs to reduce or
7 eliminate those conditions the existence of which qualified the
8 redevelopment project area as a "blighted area" or
9 "conservation area" or combination thereof or "industrial park
10 conservation area," and thereby to enhance the tax bases of the
11 taxing districts which extend into the redevelopment project
12 area. On and after November 1, 1999 (the effective date of
13 Public Act 91-478), no redevelopment plan may be approved or
14 amended that includes the development of vacant land (i) with a
15 golf course and related clubhouse and other facilities or (ii)
16 designated by federal, State, county, or municipal government
17 as public land for outdoor recreational activities or for
18 nature preserves and used for that purpose within 5 years prior
19 to the adoption of the redevelopment plan. For the purpose of
20 this subsection, "recreational activities" is limited to mean
21 camping and hunting. Each redevelopment plan shall set forth in
22 writing the program to be undertaken to accomplish the
23 objectives and shall include but not be limited to:

24 (A) an itemized list of estimated redevelopment
25 project costs;

26 (B) evidence indicating that the redevelopment project

1 area on the whole has not been subject to growth and
2 development through investment by private enterprise;

3 (C) an assessment of any financial impact of the
4 redevelopment project area on or any increased demand for
5 services from any taxing district affected by the plan and
6 any program to address such financial impact or increased
7 demand;

8 (D) the sources of funds to pay costs;

9 (E) the nature and term of the obligations to be
10 issued;

11 (F) the most recent equalized assessed valuation of the
12 redevelopment project area;

13 (G) an estimate as to the equalized assessed valuation
14 after redevelopment and the general land uses to apply in
15 the redevelopment project area;

16 (H) a commitment to fair employment practices and an
17 affirmative action plan;

18 (I) if it concerns an industrial park conservation
19 area, the plan shall also include a general description of
20 any proposed developer, user and tenant of any property, a
21 description of the type, structure and general character of
22 the facilities to be developed, a description of the type,
23 class and number of new employees to be employed in the
24 operation of the facilities to be developed; and

25 (J) if property is to be annexed to the municipality,
26 the plan shall include the terms of the annexation

1 agreement.

2 The provisions of items (B) and (C) of this subsection (n)
3 shall not apply to a municipality that before March 14, 1994
4 (the effective date of Public Act 88-537) had fixed, either by
5 its corporate authorities or by a commission designated under
6 subsection (k) of Section 11-74.4-4, a time and place for a
7 public hearing as required by subsection (a) of Section
8 11-74.4-5. No redevelopment plan shall be adopted unless a
9 municipality complies with all of the following requirements:

10 (1) The municipality finds that the redevelopment
11 project area on the whole has not been subject to growth
12 and development through investment by private enterprise
13 and would not reasonably be anticipated to be developed
14 without the adoption of the redevelopment plan.

15 (2) The municipality finds that the redevelopment plan
16 and project conform to the comprehensive plan for the
17 development of the municipality as a whole, or, for
18 municipalities with a population of 100,000 or more,
19 regardless of when the redevelopment plan and project was
20 adopted, the redevelopment plan and project either: (i)
21 conforms to the strategic economic development or
22 redevelopment plan issued by the designated planning
23 authority of the municipality, or (ii) includes land uses
24 that have been approved by the planning commission of the
25 municipality.

26 (3) The redevelopment plan establishes the estimated

1 dates of completion of the redevelopment project and
2 retirement of obligations issued to finance redevelopment
3 project costs. Those dates may not be later than the dates
4 set forth under Section 11-74.4-3.5.

5 A municipality may by municipal ordinance amend an
6 existing redevelopment plan to conform to this paragraph
7 (3) as amended by Public Act 91-478, which municipal
8 ordinance may be adopted without further hearing or notice
9 and without complying with the procedures provided in this
10 Act pertaining to an amendment to or the initial approval
11 of a redevelopment plan and project and designation of a
12 redevelopment project area.

13 (3.5) The municipality finds, in the case of an
14 industrial park conservation area, also that the
15 municipality is a labor surplus municipality and that the
16 implementation of the redevelopment plan will reduce
17 unemployment, create new jobs and by the provision of new
18 facilities enhance the tax base of the taxing districts
19 that extend into the redevelopment project area.

20 (4) If any incremental revenues are being utilized
21 under Section 8(a)(1) or 8(a)(2) of this Act in
22 redevelopment project areas approved by ordinance after
23 January 1, 1986, the municipality finds: (a) that the
24 redevelopment project area would not reasonably be
25 developed without the use of such incremental revenues, and
26 (b) that such incremental revenues will be exclusively

1 utilized for the development of the redevelopment project
2 area.

3 (5) If the redevelopment plan will not result in
4 displacement of residents from 10 or more inhabited
5 residential units, and the municipality certifies in the
6 plan that such displacement will not result from the plan,
7 a housing impact study need not be performed. If, however,
8 the redevelopment plan would result in the displacement of
9 residents from 10 or more inhabited residential units, or
10 if the redevelopment project area contains 75 or more
11 inhabited residential units and no certification is made,
12 then the municipality shall prepare, as part of the
13 separate feasibility report required by subsection (a) of
14 Section 11-74.4-5, a housing impact study.

15 Part I of the housing impact study shall include (i)
16 data as to whether the residential units are single family
17 or multi-family units, (ii) the number and type of rooms
18 within the units, if that information is available, (iii)
19 whether the units are inhabited or uninhabited, as
20 determined not less than 45 days before the date that the
21 ordinance or resolution required by subsection (a) of
22 Section 11-74.4-5 is passed, and (iv) data as to the racial
23 and ethnic composition of the residents in the inhabited
24 residential units. The data requirement as to the racial
25 and ethnic composition of the residents in the inhabited
26 residential units shall be deemed to be fully satisfied by

1 data from the most recent federal census.

2 Part II of the housing impact study shall identify the
3 inhabited residential units in the proposed redevelopment
4 project area that are to be or may be removed. If inhabited
5 residential units are to be removed, then the housing
6 impact study shall identify (i) the number and location of
7 those units that will or may be removed, (ii) the
8 municipality's plans for relocation assistance for those
9 residents in the proposed redevelopment project area whose
10 residences are to be removed, (iii) the availability of
11 replacement housing for those residents whose residences
12 are to be removed, and shall identify the type, location,
13 and cost of the housing, and (iv) the type and extent of
14 relocation assistance to be provided.

15 (6) On and after November 1, 1999, the housing impact
16 study required by paragraph (5) shall be incorporated in
17 the redevelopment plan for the redevelopment project area.

18 (7) On and after November 1, 1999, no redevelopment
19 plan shall be adopted, nor an existing plan amended, nor
20 shall residential housing that is occupied by households of
21 low-income and very low-income persons in currently
22 existing redevelopment project areas be removed after
23 November 1, 1999 unless the redevelopment plan provides,
24 with respect to inhabited housing units that are to be
25 removed for households of low-income and very low-income
26 persons, affordable housing and relocation assistance not

1 less than that which would be provided under the federal
2 Uniform Relocation Assistance and Real Property
3 Acquisition Policies Act of 1970 and the regulations under
4 that Act, including the eligibility criteria. Affordable
5 housing may be either existing or newly constructed
6 housing. For purposes of this paragraph (7), "low-income
7 households", "very low-income households", and "affordable
8 housing" have the meanings set forth in the Illinois
9 Affordable Housing Act. The municipality shall make a good
10 faith effort to ensure that this affordable housing is
11 located in or near the redevelopment project area within
12 the municipality.

13 (8) On and after November 1, 1999, if, after the
14 adoption of the redevelopment plan for the redevelopment
15 project area, any municipality desires to amend its
16 redevelopment plan to remove more inhabited residential
17 units than specified in its original redevelopment plan,
18 that change shall be made in accordance with the procedures
19 in subsection (c) of Section 11-74.4-5.

20 (9) For redevelopment project areas designated prior
21 to November 1, 1999, the redevelopment plan may be amended
22 without further joint review board meeting or hearing,
23 provided that the municipality shall give notice of any
24 such changes by mail to each affected taxing district and
25 registrant on the interested party registry, to authorize
26 the municipality to expend tax increment revenues for

1 redevelopment project costs defined by paragraphs (5) and
2 (7.5), subparagraphs (E) and (F) of paragraph (11), and
3 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
4 long as the changes do not increase the total estimated
5 redevelopment project costs set out in the redevelopment
6 plan by more than 5% after adjustment for inflation from
7 the date the plan was adopted.

8 (o) "Redevelopment project" means any public and private
9 development project in furtherance of the objectives of a
10 redevelopment plan. On and after November 1, 1999 (the
11 effective date of Public Act 91-478), no redevelopment plan may
12 be approved or amended that includes the development of vacant
13 land (i) with a golf course and related clubhouse and other
14 facilities or (ii) designated by federal, State, county, or
15 municipal government as public land for outdoor recreational
16 activities or for nature preserves and used for that purpose
17 within 5 years prior to the adoption of the redevelopment plan.
18 For the purpose of this subsection, "recreational activities"
19 is limited to mean camping and hunting.

20 (p) "Redevelopment project area" means an area designated
21 by the municipality, which is not less in the aggregate than 1
22 1/2 acres and in respect to which the municipality has made a
23 finding that there exist conditions which cause the area to be
24 classified as an industrial park conservation area or a
25 blighted area or a conservation area, or a combination of both
26 blighted areas and conservation areas.

1 (p-1) Notwithstanding any provision of this Act to the
2 contrary, on and after August 25, 2009 (the effective date of
3 Public Act 96-680), a redevelopment project area may include
4 areas within a one-half mile radius of an existing or proposed
5 Regional Transportation Authority Suburban Transit Access
6 Route (STAR Line) station without a finding that the area is
7 classified as an industrial park conservation area, a blighted
8 area, a conservation area, or a combination thereof, but only
9 if the municipality receives unanimous consent from the joint
10 review board created to review the proposed redevelopment
11 project area.

12 (q) "Redevelopment project costs", except for
13 redevelopment project areas created pursuant to subsection
14 (p-1), means and includes the sum total of all reasonable or
15 necessary costs incurred or estimated to be incurred, and any
16 such costs incidental to a redevelopment plan and a
17 redevelopment project. Such costs include, without limitation,
18 the following:

19 (1) Costs of studies, surveys, development of plans,
20 and specifications, implementation and administration of
21 the redevelopment plan including but not limited to staff
22 and professional service costs for architectural,
23 engineering, legal, financial, planning or other services,
24 provided however that no charges for professional services
25 may be based on a percentage of the tax increment
26 collected; except that on and after November 1, 1999 (the

1 effective date of Public Act 91-478), no contracts for
2 professional services, excluding architectural and
3 engineering services, may be entered into if the terms of
4 the contract extend beyond a period of 3 years. In
5 addition, "redevelopment project costs" shall not include
6 lobbying expenses. After consultation with the
7 municipality, each tax increment consultant or advisor to a
8 municipality that plans to designate or has designated a
9 redevelopment project area shall inform the municipality
10 in writing of any contracts that the consultant or advisor
11 has entered into with entities or individuals that have
12 received, or are receiving, payments financed by tax
13 increment revenues produced by the redevelopment project
14 area with respect to which the consultant or advisor has
15 performed, or will be performing, service for the
16 municipality. This requirement shall be satisfied by the
17 consultant or advisor before the commencement of services
18 for the municipality and thereafter whenever any other
19 contracts with those individuals or entities are executed
20 by the consultant or advisor;

21 (1.5) After July 1, 1999, annual administrative costs
22 shall not include general overhead or administrative costs
23 of the municipality that would still have been incurred by
24 the municipality if the municipality had not designated a
25 redevelopment project area or approved a redevelopment
26 plan;

1 (1.6) The cost of marketing sites within the
2 redevelopment project area to prospective businesses,
3 developers, and investors;

4 (2) Property assembly costs, including but not limited
5 to acquisition of land and other property, real or
6 personal, or rights or interests therein, demolition of
7 buildings, site preparation, site improvements that serve
8 as an engineered barrier addressing ground level or below
9 ground environmental contamination, including, but not
10 limited to parking lots and other concrete or asphalt
11 barriers, and the clearing and grading of land;

12 (3) Costs of rehabilitation, reconstruction or repair
13 or remodeling of existing public or private buildings,
14 fixtures, and leasehold improvements; and the cost of
15 replacing an existing public building if pursuant to the
16 implementation of a redevelopment project the existing
17 public building is to be demolished to use the site for
18 private investment or devoted to a different use requiring
19 private investment; including any direct or indirect costs
20 relating to Green Globes or LEED certified construction
21 elements or construction elements with an equivalent
22 certification;

23 (4) Costs of the construction of public works or
24 improvements, including any direct or indirect costs
25 relating to Green Globes or LEED certified construction
26 elements or construction elements with an equivalent

1 certification, except that on and after November 1, 1999,
2 redevelopment project costs shall not include the cost of
3 constructing a new municipal public building principally
4 used to provide offices, storage space, or conference
5 facilities or vehicle storage, maintenance, or repair for
6 administrative, public safety, or public works personnel
7 and that is not intended to replace an existing public
8 building as provided under paragraph (3) of subsection (q)
9 of Section 11-74.4-3 unless either (i) the construction of
10 the new municipal building implements a redevelopment
11 project that was included in a redevelopment plan that was
12 adopted by the municipality prior to November 1, 1999 or
13 (ii) the municipality makes a reasonable determination in
14 the redevelopment plan, supported by information that
15 provides the basis for that determination, that the new
16 municipal building is required to meet an increase in the
17 need for public safety purposes anticipated to result from
18 the implementation of the redevelopment plan;

19 (5) Costs of job training and retraining projects,
20 including the cost of "welfare to work" programs
21 implemented by businesses located within the redevelopment
22 project area;

23 (6) Financing costs, including but not limited to all
24 necessary and incidental expenses related to the issuance
25 of obligations and which may include payment of interest on
26 any obligations issued hereunder including interest

1 accruing during the estimated period of construction of any
2 redevelopment project for which such obligations are
3 issued and for not exceeding 36 months thereafter and
4 including reasonable reserves related thereto;

5 (7) To the extent the municipality by written agreement
6 accepts and approves the same, all or a portion of a taxing
7 district's capital costs resulting from the redevelopment
8 project necessarily incurred or to be incurred within a
9 taxing district in furtherance of the objectives of the
10 redevelopment plan and project.

11 (7.5) For redevelopment project areas designated (or
12 redevelopment project areas amended to add or increase the
13 number of tax-increment-financing assisted housing units)
14 on or after November 1, 1999, an elementary, secondary, or
15 unit school district's increased costs attributable to
16 assisted housing units located within the redevelopment
17 project area for which the developer or redeveloper
18 receives financial assistance through an agreement with
19 the municipality or because the municipality incurs the
20 cost of necessary infrastructure improvements within the
21 boundaries of the assisted housing sites necessary for the
22 completion of that housing as authorized by this Act, and
23 which costs shall be paid by the municipality from the
24 Special Tax Allocation Fund when the tax increment revenue
25 is received as a result of the assisted housing units and
26 shall be calculated annually as follows:

1 (A) for foundation districts, excluding any school
2 district in a municipality with a population in excess
3 of 1,000,000, by multiplying the district's increase
4 in attendance resulting from the net increase in new
5 students enrolled in that school district who reside in
6 housing units within the redevelopment project area
7 that have received financial assistance through an
8 agreement with the municipality or because the
9 municipality incurs the cost of necessary
10 infrastructure improvements within the boundaries of
11 the housing sites necessary for the completion of that
12 housing as authorized by this Act since the designation
13 of the redevelopment project area by the most recently
14 available per capita tuition cost as defined in Section
15 10-20.12a of the School Code less any increase in
16 general State aid as defined in Section 18-8.05 of the
17 School Code attributable to these added new students
18 subject to the following annual limitations:

19 (i) for unit school districts with a district
20 average 1995-96 Per Capita Tuition Charge of less
21 than \$5,900, no more than 25% of the total amount
22 of property tax increment revenue produced by
23 those housing units that have received tax
24 increment finance assistance under this Act;

25 (ii) for elementary school districts with a
26 district average 1995-96 Per Capita Tuition Charge

1 of less than \$5,900, no more than 17% of the total
2 amount of property tax increment revenue produced
3 by those housing units that have received tax
4 increment finance assistance under this Act; and

5 (iii) for secondary school districts with a
6 district average 1995-96 Per Capita Tuition Charge
7 of less than \$5,900, no more than 8% of the total
8 amount of property tax increment revenue produced
9 by those housing units that have received tax
10 increment finance assistance under this Act.

11 (B) For alternate method districts, flat grant
12 districts, and foundation districts with a district
13 average 1995-96 Per Capita Tuition Charge equal to or
14 more than \$5,900, excluding any school district with a
15 population in excess of 1,000,000, by multiplying the
16 district's increase in attendance resulting from the
17 net increase in new students enrolled in that school
18 district who reside in housing units within the
19 redevelopment project area that have received
20 financial assistance through an agreement with the
21 municipality or because the municipality incurs the
22 cost of necessary infrastructure improvements within
23 the boundaries of the housing sites necessary for the
24 completion of that housing as authorized by this Act
25 since the designation of the redevelopment project
26 area by the most recently available per capita tuition

1 cost as defined in Section 10-20.12a of the School Code
2 less any increase in general state aid as defined in
3 Section 18-8.05 of the School Code attributable to
4 these added new students subject to the following
5 annual limitations:

6 (i) for unit school districts, no more than 40%
7 of the total amount of property tax increment
8 revenue produced by those housing units that have
9 received tax increment finance assistance under
10 this Act;

11 (ii) for elementary school districts, no more
12 than 27% of the total amount of property tax
13 increment revenue produced by those housing units
14 that have received tax increment finance
15 assistance under this Act; and

16 (iii) for secondary school districts, no more
17 than 13% of the total amount of property tax
18 increment revenue produced by those housing units
19 that have received tax increment finance
20 assistance under this Act.

21 (C) For any school district in a municipality with
22 a population in excess of 1,000,000, the following
23 restrictions shall apply to the reimbursement of
24 increased costs under this paragraph (7.5):

25 (i) no increased costs shall be reimbursed
26 unless the school district certifies that each of

1 the schools affected by the assisted housing
2 project is at or over its student capacity;

3 (ii) the amount reimbursable shall be reduced
4 by the value of any land donated to the school
5 district by the municipality or developer, and by
6 the value of any physical improvements made to the
7 schools by the municipality or developer; and

8 (iii) the amount reimbursed may not affect
9 amounts otherwise obligated by the terms of any
10 bonds, notes, or other funding instruments, or the
11 terms of any redevelopment agreement.

12 Any school district seeking payment under this
13 paragraph (7.5) shall, after July 1 and before
14 September 30 of each year, provide the municipality
15 with reasonable evidence to support its claim for
16 reimbursement before the municipality shall be
17 required to approve or make the payment to the school
18 district. If the school district fails to provide the
19 information during this period in any year, it shall
20 forfeit any claim to reimbursement for that year.
21 School districts may adopt a resolution waiving the
22 right to all or a portion of the reimbursement
23 otherwise required by this paragraph (7.5). By
24 acceptance of this reimbursement the school district
25 waives the right to directly or indirectly set aside,
26 modify, or contest in any manner the establishment of

1 the redevelopment project area or projects;

2 (7.7) For redevelopment project areas designated (or
3 redevelopment project areas amended to add or increase the
4 number of tax-increment-financing assisted housing units)
5 on or after January 1, 2005 (the effective date of Public
6 Act 93-961), a public library district's increased costs
7 attributable to assisted housing units located within the
8 redevelopment project area for which the developer or
9 redeveloper receives financial assistance through an
10 agreement with the municipality or because the
11 municipality incurs the cost of necessary infrastructure
12 improvements within the boundaries of the assisted housing
13 sites necessary for the completion of that housing as
14 authorized by this Act shall be paid to the library
15 district by the municipality from the Special Tax
16 Allocation Fund when the tax increment revenue is received
17 as a result of the assisted housing units. This paragraph
18 (7.7) applies only if (i) the library district is located
19 in a county that is subject to the Property Tax Extension
20 Limitation Law or (ii) the library district is not located
21 in a county that is subject to the Property Tax Extension
22 Limitation Law but the district is prohibited by any other
23 law from increasing its tax levy rate without a prior voter
24 referendum.

25 The amount paid to a library district under this
26 paragraph (7.7) shall be calculated by multiplying (i) the

1 net increase in the number of persons eligible to obtain a
2 library card in that district who reside in housing units
3 within the redevelopment project area that have received
4 financial assistance through an agreement with the
5 municipality or because the municipality incurs the cost of
6 necessary infrastructure improvements within the
7 boundaries of the housing sites necessary for the
8 completion of that housing as authorized by this Act since
9 the designation of the redevelopment project area by (ii)
10 the per-patron cost of providing library services so long
11 as it does not exceed \$120. The per-patron cost shall be
12 the Total Operating Expenditures Per Capita for the library
13 in the previous fiscal year. The municipality may deduct
14 from the amount that it must pay to a library district
15 under this paragraph any amount that it has voluntarily
16 paid to the library district from the tax increment
17 revenue. The amount paid to a library district under this
18 paragraph (7.7) shall be no more than 2% of the amount
19 produced by the assisted housing units and deposited into
20 the Special Tax Allocation Fund.

21 A library district is not eligible for any payment
22 under this paragraph (7.7) unless the library district has
23 experienced an increase in the number of patrons from the
24 municipality that created the tax-increment-financing
25 district since the designation of the redevelopment
26 project area.

1 Any library district seeking payment under this
2 paragraph (7.7) shall, after July 1 and before September 30
3 of each year, provide the municipality with convincing
4 evidence to support its claim for reimbursement before the
5 municipality shall be required to approve or make the
6 payment to the library district. If the library district
7 fails to provide the information during this period in any
8 year, it shall forfeit any claim to reimbursement for that
9 year. Library districts may adopt a resolution waiving the
10 right to all or a portion of the reimbursement otherwise
11 required by this paragraph (7.7). By acceptance of such
12 reimbursement, the library district shall forfeit any
13 right to directly or indirectly set aside, modify, or
14 contest in any manner whatsoever the establishment of the
15 redevelopment project area or projects;

16 (8) Relocation costs to the extent that a municipality
17 determines that relocation costs shall be paid or is
18 required to make payment of relocation costs by federal or
19 State law or in order to satisfy subparagraph (7) of
20 subsection (n);

21 (9) Payment in lieu of taxes;

22 (10) Costs of job training, retraining, advanced
23 vocational education or career education, including but
24 not limited to courses in occupational, semi-technical or
25 technical fields leading directly to employment, incurred
26 by one or more taxing districts, provided that such costs

1 (i) are related to the establishment and maintenance of
2 additional job training, advanced vocational education or
3 career education programs for persons employed or to be
4 employed by employers located in a redevelopment project
5 area; and (ii) when incurred by a taxing district or taxing
6 districts other than the municipality, are set forth in a
7 written agreement by or among the municipality and the
8 taxing district or taxing districts, which agreement
9 describes the program to be undertaken, including but not
10 limited to the number of employees to be trained, a
11 description of the training and services to be provided,
12 the number and type of positions available or to be
13 available, itemized costs of the program and sources of
14 funds to pay for the same, and the term of the agreement.
15 Such costs include, specifically, the payment by community
16 college districts of costs pursuant to Sections 3-37, 3-38,
17 3-40 and 3-40.1 of the Public Community College Act and by
18 school districts of costs pursuant to Sections 10-22.20a
19 and 10-23.3a of The School Code;

20 (11) Interest cost incurred by a redeveloper related to
21 the construction, renovation or rehabilitation of a
22 redevelopment project provided that:

23 (A) such costs are to be paid directly from the
24 special tax allocation fund established pursuant to
25 this Act;

26 (B) such payments in any one year may not exceed

1 30% of the annual interest costs incurred by the
2 redeveloper with regard to the redevelopment project
3 during that year;

4 (C) if there are not sufficient funds available in
5 the special tax allocation fund to make the payment
6 pursuant to this paragraph (11) then the amounts so due
7 shall accrue and be payable when sufficient funds are
8 available in the special tax allocation fund;

9 (D) the total of such interest payments paid
10 pursuant to this Act may not exceed 30% of the total
11 (i) cost paid or incurred by the redeveloper for the
12 redevelopment project plus (ii) redevelopment project
13 costs excluding any property assembly costs and any
14 relocation costs incurred by a municipality pursuant
15 to this Act; and

16 (E) the cost limits set forth in subparagraphs (B)
17 and (D) of paragraph (11) shall be modified for the
18 financing of rehabilitated or new housing units for
19 low-income households and very low-income households,
20 as defined in Section 3 of the Illinois Affordable
21 Housing Act. The percentage of 75% shall be substituted
22 for 30% in subparagraphs (B) and (D) of paragraph (11).

23 (F) Instead of the eligible costs provided by
24 subparagraphs (B) and (D) of paragraph (11), as
25 modified by this subparagraph, and notwithstanding any
26 other provisions of this Act to the contrary, the

1 municipality may pay from tax increment revenues up to
2 50% of the cost of construction of new housing units to
3 be occupied by low-income households and very
4 low-income households as defined in Section 3 of the
5 Illinois Affordable Housing Act. The cost of
6 construction of those units may be derived from the
7 proceeds of bonds issued by the municipality under this
8 Act or other constitutional or statutory authority or
9 from other sources of municipal revenue that may be
10 reimbursed from tax increment revenues or the proceeds
11 of bonds issued to finance the construction of that
12 housing.

13 The eligible costs provided under this
14 subparagraph (F) of paragraph (11) shall be an eligible
15 cost for the construction, renovation, and
16 rehabilitation of all low and very low-income housing
17 units, as defined in Section 3 of the Illinois
18 Affordable Housing Act, within the redevelopment
19 project area. If the low and very low-income units are
20 part of a residential redevelopment project that
21 includes units not affordable to low and very
22 low-income households, only the low and very
23 low-income units shall be eligible for benefits under
24 subparagraph (F) of paragraph (11). The standards for
25 maintaining the occupancy by low-income households and
26 very low-income households, as defined in Section 3 of

1 the Illinois Affordable Housing Act, of those units
2 constructed with eligible costs made available under
3 the provisions of this subparagraph (F) of paragraph
4 (11) shall be established by guidelines adopted by the
5 municipality. The responsibility for annually
6 documenting the initial occupancy of the units by
7 low-income households and very low-income households,
8 as defined in Section 3 of the Illinois Affordable
9 Housing Act, shall be that of the then current owner of
10 the property. For ownership units, the guidelines will
11 provide, at a minimum, for a reasonable recapture of
12 funds, or other appropriate methods designed to
13 preserve the original affordability of the ownership
14 units. For rental units, the guidelines will provide,
15 at a minimum, for the affordability of rent to low and
16 very low-income households. As units become available,
17 they shall be rented to income-eligible tenants. The
18 municipality may modify these guidelines from time to
19 time; the guidelines, however, shall be in effect for
20 as long as tax increment revenue is being used to pay
21 for costs associated with the units or for the
22 retirement of bonds issued to finance the units or for
23 the life of the redevelopment project area, whichever
24 is later.

25 (11.5) If the redevelopment project area is located
26 within a municipality with a population of more than

1 100,000, the cost of day care services for children of
2 employees from low-income families working for businesses
3 located within the redevelopment project area and all or a
4 portion of the cost of operation of day care centers
5 established by redevelopment project area businesses to
6 serve employees from low-income families working in
7 businesses located in the redevelopment project area. For
8 the purposes of this paragraph, "low-income families"
9 means families whose annual income does not exceed 80% of
10 the municipal, county, or regional median income, adjusted
11 for family size, as the annual income and municipal,
12 county, or regional median income are determined from time
13 to time by the United States Department of Housing and
14 Urban Development.

15 (12) Unless explicitly stated herein the cost of
16 construction of new privately-owned buildings shall not be
17 an eligible redevelopment project cost.

18 (13) After November 1, 1999 (the effective date of
19 Public Act 91-478), none of the redevelopment project costs
20 enumerated in this subsection shall be eligible
21 redevelopment project costs if those costs would provide
22 direct financial support to a retail entity initiating
23 operations in the redevelopment project area while
24 terminating operations at another Illinois location within
25 10 miles of the redevelopment project area but outside the
26 boundaries of the redevelopment project area municipality.

1 For purposes of this paragraph, termination means a closing
2 of a retail operation that is directly related to the
3 opening of the same operation or like retail entity owned
4 or operated by more than 50% of the original ownership in a
5 redevelopment project area, but it does not mean closing an
6 operation for reasons beyond the control of the retail
7 entity, as documented by the retail entity, subject to a
8 reasonable finding by the municipality that the current
9 location contained inadequate space, had become
10 economically obsolete, or was no longer a viable location
11 for the retailer or serviceman.

12 (14) No cost shall be a redevelopment project cost in a
13 redevelopment project area if used to demolish, remove, or
14 substantially modify a historic resource, after August 26,
15 2008 (the effective date of Public Act 95-934), unless no
16 prudent and feasible alternative exists. "Historic
17 resource" for the purpose of this item (14) means (i) a
18 place or structure that is included or eligible for
19 inclusion on the National Register of Historic Places or
20 (ii) a contributing structure in a district on the National
21 Register of Historic Places. This item (14) does not apply
22 to a place or structure for which demolition, removal, or
23 modification is subject to review by the preservation
24 agency of a Certified Local Government designated as such
25 by the National Park Service of the United States
26 Department of the Interior.

1 If a special service area has been established pursuant to
2 the Special Service Area Tax Act or Special Service Area Tax
3 Law, then any tax increment revenues derived from the tax
4 imposed pursuant to the Special Service Area Tax Act or Special
5 Service Area Tax Law may be used within the redevelopment
6 project area for the purposes permitted by that Act or Law as
7 well as the purposes permitted by this Act.

8 (q-1) For redevelopment project areas created pursuant to
9 subsection (p-1), redevelopment project costs are limited to
10 those costs in paragraph (q) that are related to the existing
11 or proposed Regional Transportation Authority Suburban Transit
12 Access Route (STAR Line) station.

13 (r) "State Sales Tax Boundary" means the redevelopment
14 project area or the amended redevelopment project area
15 boundaries which are determined pursuant to subsection (9) of
16 Section 11-74.4-8a of this Act. The Department of Revenue shall
17 certify pursuant to subsection (9) of Section 11-74.4-8a the
18 appropriate boundaries eligible for the determination of State
19 Sales Tax Increment.

20 (s) "State Sales Tax Increment" means an amount equal to
21 the increase in the aggregate amount of taxes paid by retailers
22 and servicemen, other than retailers and servicemen subject to
23 the Public Utilities Act, on transactions at places of business
24 located within a State Sales Tax Boundary pursuant to the
25 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
26 Tax Act, and the Service Occupation Tax Act, except such

1 portion of such increase that is paid into the State and Local
2 Sales Tax Reform Fund, the Local Government Distributive Fund,
3 the Local Government Tax Fund and the County and Mass Transit
4 District Fund, for as long as State participation exists, over
5 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
6 Tax Amounts or the Revised Initial Sales Tax Amounts for such
7 taxes as certified by the Department of Revenue and paid under
8 those Acts by retailers and servicemen on transactions at
9 places of business located within the State Sales Tax Boundary
10 during the base year which shall be the calendar year
11 immediately prior to the year in which the municipality adopted
12 tax increment allocation financing, less 3.0% of such amounts
13 generated under the Retailers' Occupation Tax Act, Use Tax Act
14 and Service Use Tax Act and the Service Occupation Tax Act,
15 which sum shall be appropriated to the Department of Revenue to
16 cover its costs of administering and enforcing this Section.
17 For purposes of computing the aggregate amount of such taxes
18 for base years occurring prior to 1985, the Department of
19 Revenue shall compute the Initial Sales Tax Amount for such
20 taxes and deduct therefrom an amount equal to 4% of the
21 aggregate amount of taxes per year for each year the base year
22 is prior to 1985, but not to exceed a total deduction of 12%.
23 The amount so determined shall be known as the "Adjusted
24 Initial Sales Tax Amount". For purposes of determining the
25 State Sales Tax Increment the Department of Revenue shall for
26 each period subtract from the tax amounts received from

1 retailers and servicemen on transactions located in the State
2 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
3 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
4 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
5 the Service Use Tax Act and the Service Occupation Tax Act. For
6 the State Fiscal Year 1989 this calculation shall be made by
7 utilizing the calendar year 1987 to determine the tax amounts
8 received. For the State Fiscal Year 1990, this calculation
9 shall be made by utilizing the period from January 1, 1988,
10 until September 30, 1988, to determine the tax amounts received
11 from retailers and servicemen, which shall have deducted
12 therefrom nine-twelfths of the certified Initial Sales Tax
13 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
14 Initial Sales Tax Amounts as appropriate. For the State Fiscal
15 Year 1991, this calculation shall be made by utilizing the
16 period from October 1, 1988, until June 30, 1989, to determine
17 the tax amounts received from retailers and servicemen, which
18 shall have deducted therefrom nine-twelfths of the certified
19 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
20 Amounts or the Revised Initial Sales Tax Amounts as
21 appropriate. For every State Fiscal Year thereafter, the
22 applicable period shall be the 12 months beginning July 1 and
23 ending on June 30, to determine the tax amounts received which
24 shall have deducted therefrom the certified Initial Sales Tax
25 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
26 Initial Sales Tax Amounts. Municipalities intending to receive

1 a distribution of State Sales Tax Increment must report a list
2 of retailers to the Department of Revenue by October 31, 1988
3 and by July 31, of each year thereafter.

4 (t) "Taxing districts" means counties, townships, cities
5 and incorporated towns and villages, school, road, park,
6 sanitary, mosquito abatement, forest preserve, public health,
7 fire protection, river conservancy, tuberculosis sanitarium
8 and any other municipal corporations or districts with the
9 power to levy taxes.

10 (u) "Taxing districts' capital costs" means those costs of
11 taxing districts for capital improvements that are found by the
12 municipal corporate authorities to be necessary and directly
13 result from the redevelopment project.

14 (v) As used in subsection (a) of Section 11-74.4-3 of this
15 Act, "vacant land" means any parcel or combination of parcels
16 of real property without industrial, commercial, and
17 residential buildings which has not been used for commercial
18 agricultural purposes within 5 years prior to the designation
19 of the redevelopment project area, unless the parcel is
20 included in an industrial park conservation area or the parcel
21 has been subdivided; provided that if the parcel was part of a
22 larger tract that has been divided into 3 or more smaller
23 tracts that were accepted for recording during the period from
24 1950 to 1990, then the parcel shall be deemed to have been
25 subdivided, and all proceedings and actions of the municipality
26 taken in that connection with respect to any previously

1 approved or designated redevelopment project area or amended
2 redevelopment project area are hereby validated and hereby
3 declared to be legally sufficient for all purposes of this Act.
4 For purposes of this Section and only for land subject to the
5 subdivision requirements of the Plat Act, land is subdivided
6 when the original plat of the proposed Redevelopment Project
7 Area or relevant portion thereof has been properly certified,
8 acknowledged, approved, and recorded or filed in accordance
9 with the Plat Act and a preliminary plat, if any, for any
10 subsequent phases of the proposed Redevelopment Project Area or
11 relevant portion thereof has been properly approved and filed
12 in accordance with the applicable ordinance of the
13 municipality.

14 (w) "Annual Total Increment" means the sum of each
15 municipality's annual Net Sales Tax Increment and each
16 municipality's annual Net Utility Tax Increment. The ratio of
17 the Annual Total Increment of each municipality to the Annual
18 Total Increment for all municipalities, as most recently
19 calculated by the Department, shall determine the proportional
20 shares of the Illinois Tax Increment Fund to be distributed to
21 each municipality.

22 (x) "LEED certified" means any certification level of
23 construction elements by a qualified Leadership in Energy and
24 Environmental Design Accredited Professional as determined by
25 the U.S. Green Building Council.

26 (y) "Green Globes certified" means any certification level

1 of construction elements by a qualified Green Globes
2 Professional as determined by the Green Building Initiative.

3 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;
4 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.
5 1-1-12.)

6 (65 ILCS 5/11-74.4-3.3 new)

7 Sec. 11-74.4-3.3. Redevelopment project area within a
8 transit facility improvement area.

9 (a) As used in this Section:

10 "Transit" means any or more of the following transportation
11 services provided to passengers: bus rapid transit service;
12 inter-city passenger rail service; commuter rail service; and
13 urban mass transit rail service, whether elevated,
14 underground, or running at grade, and whether provided through
15 rolling stock generally referred to as heavy rail or light
16 rail.

17 "Transit facility" means an existing or proposed transit
18 passenger station, an existing or proposed transit
19 maintenance, storage or service facility, or an existing or
20 proposed right of way for use in providing commuter rail or
21 urban mass transit service.

22 "Transit facility improvement area" means an area whose
23 boundaries are no more than one-half mile in any direction from
24 the location of a mass transit facility; provided that the
25 length of any existing or proposed right of way included in any

1 transit facility improvement area shall not exceed 6 miles.

2 "Transit facility improvement area redevelopment project
3 costs" means those costs described in subsection (q) of Section
4 11-74.4-3 of this Act that are related to the construction,
5 reconstruction, rehabilitation, remodeling or repair of any
6 existing or proposed transit facility, whether publicly or
7 privately-owned.

8 (b) Notwithstanding any other provision of law to the
9 contrary, if the corporate authorities of a municipality
10 designate an area within the territorial limits of the
11 municipality as a transit facility improvement area, then that
12 municipality may establish a redevelopment project area within
13 that transit facility improvement area for the purpose of
14 developing new transit facilities, expanding or rehabilitating
15 existing transit facilities, or both.

16 (65 ILCS 5/11-74.4-3.5)

17 Sec. 11-74.4-3.5. Completion dates for redevelopment
18 projects.

19 (a) Unless otherwise stated in this Section, the estimated
20 dates of completion of the redevelopment project and retirement
21 of obligations issued to finance redevelopment project costs
22 (including refunding bonds under Section 11-74.4-7) may not be
23 later than December 31 of the year in which the payment to the
24 municipal treasurer, as provided in subsection (b) of Section
25 11-74.4-8 of this Act, is to be made with respect to ad valorem

1 taxes levied in the 23rd calendar year after the year in which
2 the ordinance approving the redevelopment project area was
3 adopted if the ordinance was adopted on or after January 15,
4 1981.

5 (a-5) The estimated dates of completion of the
6 redevelopment project and retirement of obligations issued to
7 finance redevelopment project costs (including refunding bonds
8 under Section 11-74.4-7) may not be later than December 31 of
9 the year in which the payment to the municipal treasurer, as
10 provided in subsection (b) of Section 11-74.4-8 of this
11 amendatory Act of the 98th General Assembly, is to be made with
12 respect to ad valorem taxes levied in the 50th calendar year
13 after the year in which the ordinance approving the
14 redevelopment project area was adopted if the redevelopment
15 project area is located within a transit facility improvement
16 area.

17 (a-7) A municipality may adopt tax increment financing for
18 a redevelopment project area located in a transit facility
19 improvement area that also includes real property located
20 within an existing redevelopment project area established
21 prior to the effective date of this amendatory Act of 98th
22 General Assembly. In such case: (i) the provisions of this
23 Division shall apply with respect to the previously established
24 redevelopment project area until the municipality adopts, as
25 required in accordance with applicable provisions of this
26 Division, an ordinance dissolving the special tax allocation

1 fund for such redevelopment project area and terminating the
2 designation of such redevelopment project area as a
3 redevelopment project area; and (ii) after the effective date
4 of the ordinance described in (i), the provisions of this
5 Division shall apply with respect to the subsequently
6 established redevelopment project area located in a transit
7 facility improvement area.

8 (b) The estimated dates of completion of the redevelopment
9 project and retirement of obligations issued to finance
10 redevelopment project costs (including refunding bonds under
11 Section 11-74.4-7) may not be later than December 31 of the
12 year in which the payment to the municipal treasurer as
13 provided in subsection (b) of Section 11-74.4-8 of this Act is
14 to be made with respect to ad valorem taxes levied in the 32nd
15 calendar year after the year in which the ordinance approving
16 the redevelopment project area was adopted if the ordinance was
17 adopted on September 9, 1999 by the Village of Downs.

18 The estimated dates of completion of the redevelopment
19 project and retirement of obligations issued to finance
20 redevelopment project costs (including refunding bonds under
21 Section 11-74.4-7) may not be later than December 31 of the
22 year in which the payment to the municipal treasurer as
23 provided in subsection (b) of Section 11-74.4-8 of this Act is
24 to be made with respect to ad valorem taxes levied in the 33rd
25 calendar year after the year in which the ordinance approving
26 the redevelopment project area was adopted if the ordinance was

1 adopted on May 20, 1985 by the Village of Wheeling.

2 The estimated dates of completion of the redevelopment
3 project and retirement of obligations issued to finance
4 redevelopment project costs (including refunding bonds under
5 Section 11-74.4-7) may not be later than December 31 of the
6 year in which the payment to the municipal treasurer as
7 provided in subsection (b) of Section 11-74.4-8 of this Act is
8 to be made with respect to ad valorem taxes levied in the 28th
9 calendar year after the year in which the ordinance approving
10 the redevelopment project area was adopted if the ordinance was
11 adopted on October 12, 1989 by the City of Lawrenceville.

12 (c) The estimated dates of completion of the redevelopment
13 project and retirement of obligations issued to finance
14 redevelopment project costs (including refunding bonds under
15 Section 11-74.4-7) may not be later than December 31 of the
16 year in which the payment to the municipal treasurer as
17 provided in subsection (b) of Section 11-74.4-8 of this Act is
18 to be made with respect to ad valorem taxes levied in the 35th
19 calendar year after the year in which the ordinance approving
20 the redevelopment project area was adopted:

21 (1) if the ordinance was adopted before January 15,
22 1981;

23 (2) if the ordinance was adopted in December 1983,
24 April 1984, July 1985, or December 1989;

25 (3) if the ordinance was adopted in December 1987 and
26 the redevelopment project is located within one mile of

1 Midway Airport;

2 (4) if the ordinance was adopted before January 1, 1987
3 by a municipality in Mason County;

4 (5) if the municipality is subject to the Local
5 Government Financial Planning and Supervision Act or the
6 Financially Distressed City Law;

7 (6) if the ordinance was adopted in December 1984 by
8 the Village of Rosemont;

9 (7) if the ordinance was adopted on December 31, 1986
10 by a municipality located in Clinton County for which at
11 least \$250,000 of tax increment bonds were authorized on
12 June 17, 1997, or if the ordinance was adopted on December
13 31, 1986 by a municipality with a population in 1990 of
14 less than 3,600 that is located in a county with a
15 population in 1990 of less than 34,000 and for which at
16 least \$250,000 of tax increment bonds were authorized on
17 June 17, 1997;

18 (8) if the ordinance was adopted on October 5, 1982 by
19 the City of Kankakee, or if the ordinance was adopted on
20 December 29, 1986 by East St. Louis;

21 (9) if the ordinance was adopted on November 12, 1991
22 by the Village of Sauget;

23 (10) if the ordinance was adopted on February 11, 1985
24 by the City of Rock Island;

25 (11) if the ordinance was adopted before December 18,
26 1986 by the City of Moline;

1 (12) if the ordinance was adopted in September 1988 by
2 Sauk Village;

3 (13) if the ordinance was adopted in October 1993 by
4 Sauk Village;

5 (14) if the ordinance was adopted on December 29, 1986
6 by the City of Galva;

7 (15) if the ordinance was adopted in March 1991 by the
8 City of Centreville;

9 (16) if the ordinance was adopted on January 23, 1991
10 by the City of East St. Louis;

11 (17) if the ordinance was adopted on December 22, 1986
12 by the City of Aledo;

13 (18) if the ordinance was adopted on February 5, 1990
14 by the City of Clinton;

15 (19) if the ordinance was adopted on September 6, 1994
16 by the City of Freeport;

17 (20) if the ordinance was adopted on December 22, 1986
18 by the City of Tuscola;

19 (21) if the ordinance was adopted on December 23, 1986
20 by the City of Sparta;

21 (22) if the ordinance was adopted on December 23, 1986
22 by the City of Beardstown;

23 (23) if the ordinance was adopted on April 27, 1981,
24 October 21, 1985, or December 30, 1986 by the City of
25 Belleville;

26 (24) if the ordinance was adopted on December 29, 1986

1 by the City of Collinsville;

2 (25) if the ordinance was adopted on September 14, 1994

3 by the City of Alton;

4 (26) if the ordinance was adopted on November 11, 1996

5 by the City of Lexington;

6 (27) if the ordinance was adopted on November 5, 1984

7 by the City of LeRoy;

8 (28) if the ordinance was adopted on April 3, 1991 or

9 June 3, 1992 by the City of Markham;

10 (29) if the ordinance was adopted on November 11, 1986

11 by the City of Pekin;

12 (30) if the ordinance was adopted on December 15, 1981

13 by the City of Champaign;

14 (31) if the ordinance was adopted on December 15, 1986

15 by the City of Urbana;

16 (32) if the ordinance was adopted on December 15, 1986

17 by the Village of Heyworth;

18 (33) if the ordinance was adopted on February 24, 1992

19 by the Village of Heyworth;

20 (34) if the ordinance was adopted on March 16, 1995 by

21 the Village of Heyworth;

22 (35) if the ordinance was adopted on December 23, 1986

23 by the Town of Cicero;

24 (36) if the ordinance was adopted on December 30, 1986

25 by the City of Effingham;

26 (37) if the ordinance was adopted on May 9, 1991 by the

1 Village of Tilton;

2 (38) if the ordinance was adopted on October 20, 1986
3 by the City of Elmhurst;

4 (39) if the ordinance was adopted on January 19, 1988
5 by the City of Waukegan;

6 (40) if the ordinance was adopted on September 21, 1998
7 by the City of Waukegan;

8 (41) if the ordinance was adopted on December 31, 1986
9 by the City of Sullivan;

10 (42) if the ordinance was adopted on December 23, 1991
11 by the City of Sullivan;

12 (43) if the ordinance was adopted on December 31, 1986
13 by the City of Oglesby;

14 (44) if the ordinance was adopted on July 28, 1987 by
15 the City of Marion;

16 (45) if the ordinance was adopted on April 23, 1990 by
17 the City of Marion;

18 (46) if the ordinance was adopted on August 20, 1985 by
19 the Village of Mount Prospect;

20 (47) if the ordinance was adopted on February 2, 1998
21 by the Village of Woodhull;

22 (48) if the ordinance was adopted on April 20, 1993 by
23 the Village of Princeville;

24 (49) if the ordinance was adopted on July 1, 1986 by
25 the City of Granite City;

26 (50) if the ordinance was adopted on February 2, 1989

1 by the Village of Lombard;

2 (51) if the ordinance was adopted on December 29, 1986

3 by the Village of Gardner;

4 (52) if the ordinance was adopted on July 14, 1999 by

5 the Village of Paw Paw;

6 (53) if the ordinance was adopted on November 17, 1986

7 by the Village of Franklin Park;

8 (54) if the ordinance was adopted on November 20, 1989

9 by the Village of South Holland;

10 (55) if the ordinance was adopted on July 14, 1992 by

11 the Village of Riverdale;

12 (56) if the ordinance was adopted on December 29, 1986

13 by the City of Galesburg;

14 (57) if the ordinance was adopted on April 1, 1985 by

15 the City of Galesburg;

16 (58) if the ordinance was adopted on May 21, 1990 by

17 the City of West Chicago;

18 (59) if the ordinance was adopted on December 16, 1986

19 by the City of Oak Forest;

20 (60) if the ordinance was adopted in 1999 by the City

21 of Villa Grove;

22 (61) if the ordinance was adopted on January 13, 1987

23 by the Village of Mt. Zion;

24 (62) if the ordinance was adopted on December 30, 1986

25 by the Village of Manteno;

26 (63) if the ordinance was adopted on April 3, 1989 by

1 the City of Chicago Heights;

2 (64) if the ordinance was adopted on January 6, 1999 by
3 the Village of Rosemont;

4 (65) if the ordinance was adopted on December 19, 2000
5 by the Village of Stone Park;

6 (66) if the ordinance was adopted on December 22, 1986
7 by the City of DeKalb;

8 (67) if the ordinance was adopted on December 2, 1986
9 by the City of Aurora;

10 (68) if the ordinance was adopted on December 31, 1986
11 by the Village of Milan;

12 (69) if the ordinance was adopted on September 8, 1994
13 by the City of West Frankfort;

14 (70) if the ordinance was adopted on December 23, 1986
15 by the Village of Libertyville;

16 (71) if the ordinance was adopted on December 22, 1986
17 by the Village of Hoffman Estates;

18 (72) if the ordinance was adopted on September 17, 1986
19 by the Village of Sherman;

20 (73) if the ordinance was adopted on December 16, 1986
21 by the City of Macomb;

22 (74) if the ordinance was adopted on June 11, 2002 by
23 the City of East Peoria to create the West Washington
24 Street TIF;

25 (75) if the ordinance was adopted on June 11, 2002 by
26 the City of East Peoria to create the Camp Street TIF;

1 (76) if the ordinance was adopted on August 7, 2000 by
2 the City of Des Plaines;

3 (77) if the ordinance was adopted on December 22, 1986
4 by the City of Washington to create the Washington Square
5 TIF #2;

6 (78) if the ordinance was adopted on December 29, 1986
7 by the City of Morris;

8 (79) if the ordinance was adopted on July 6, 1998 by
9 the Village of Steeleville;

10 (80) if the ordinance was adopted on December 29, 1986
11 by the City of Pontiac to create TIF I (the Main St TIF);

12 (81) if the ordinance was adopted on December 29, 1986
13 by the City of Pontiac to create TIF II (the Interstate
14 TIF);

15 (82) if the ordinance was adopted on November 6, 2002
16 by the City of Chicago to create the Madden/Wells TIF
17 District;

18 (83) if the ordinance was adopted on November 4, 1998
19 by the City of Chicago to create the Roosevelt/Racine TIF
20 District;

21 (84) if the ordinance was adopted on June 10, 1998 by
22 the City of Chicago to create the Stony Island
23 Commercial/Burnside Industrial Corridors TIF District;

24 (85) if the ordinance was adopted on November 29, 1989
25 by the City of Chicago to create the Englewood Mall TIF
26 District;

1 (86) if the ordinance was adopted on December 27, 1986
2 by the City of Mendota;

3 (87) if the ordinance was adopted on December 31, 1986
4 by the Village of Cahokia;

5 (88) if the ordinance was adopted on September 20, 1999
6 by the City of Belleville;

7 (89) if the ordinance was adopted on December 30, 1986
8 by the Village of Bellevue to create the Bellevue TIF
9 District 1;

10 (90) if the ordinance was adopted on December 13, 1993
11 by the Village of Crete;

12 (91) if the ordinance was adopted on February 12, 2001
13 by the Village of Crete;

14 (92) if the ordinance was adopted on April 23, 2001 by
15 the Village of Crete;

16 (93) if the ordinance was adopted on December 16, 1986
17 by the City of Champaign;

18 (94) if the ordinance was adopted on December 20, 1986
19 by the City of Charleston;

20 (95) if the ordinance was adopted on June 6, 1989 by
21 the Village of Romeoville;

22 (96) if the ordinance was adopted on October 14, 1993
23 and amended on August 2, 2010 by the City of Venice;

24 (97) if the ordinance was adopted on June 1, 1994 by
25 the City of Markham;

26 (98) if the ordinance was adopted on May 19, 1998 by

1 the Village of Bensenville;

2 (99) if the ordinance was adopted on November 12, 1987
3 by the City of Dixon;

4 (100) if the ordinance was adopted on December 20, 1988
5 by the Village of Lansing;

6 (101) if the ordinance was adopted on October 27, 1998
7 by the City of Moline;

8 (102) if the ordinance was adopted on May 21, 1991 by
9 the Village of Glenwood;

10 (103) if the ordinance was adopted on January 28, 1992
11 by the City of East Peoria;

12 (104) if the ordinance was adopted on December 14, 1998
13 by the City of Carlyle;

14 (105) if the ordinance was adopted on May 17, 2000, as
15 subsequently amended, by the City of Chicago to create the
16 Midwest Redevelopment TIF District;

17 (106) if the ordinance was adopted on September 13,
18 1989 by the City of Chicago to create the Michigan/Cermak
19 Area TIF District;

20 (107) if the ordinance was adopted on March 30, 1992 by
21 the Village of Ohio;

22 (108) if the ordinance was adopted on July 6, 1998 by
23 the Village of Orangeville;

24 (109) if the ordinance was adopted on December 16, 1997
25 by the Village of Germantown;

26 (110) if the ordinance was adopted on April 28, 2003 by

1 Gibson City;

2 (111) if the ordinance was adopted on December 18, 1990
3 by the Village of Washington Park, but only after the
4 Village of Washington Park becomes compliant with the
5 reporting requirements under subsection (d) of Section
6 11-74.4-5, and after the State Comptroller's certification
7 of such compliance; or

8 (112) if the ordinance was adopted on February 28, 2000
9 by the City of Harvey.

10 (d) For redevelopment project areas for which bonds were
11 issued before July 29, 1991, or for which contracts were
12 entered into before June 1, 1988, in connection with a
13 redevelopment project in the area within the State Sales Tax
14 Boundary, the estimated dates of completion of the
15 redevelopment project and retirement of obligations to finance
16 redevelopment project costs (including refunding bonds under
17 Section 11-74.4-7) may be extended by municipal ordinance to
18 December 31, 2013. The termination procedures of subsection (b)
19 of Section 11-74.4-8 are not required for these redevelopment
20 project areas in 2009 but are required in 2013. The extension
21 allowed by Public Act 87-1272 shall not apply to real property
22 tax increment allocation financing under Section 11-74.4-8.

23 (e) Those dates, for purposes of real property tax
24 increment allocation financing pursuant to Section 11-74.4-8
25 only, shall be not more than 35 years for redevelopment project
26 areas that were adopted on or after December 16, 1986 and for

1 which at least \$8 million worth of municipal bonds were
2 authorized on or after December 19, 1989 but before January 1,
3 1990; provided that the municipality elects to extend the life
4 of the redevelopment project area to 35 years by the adoption
5 of an ordinance after at least 14 but not more than 30 days'
6 written notice to the taxing bodies, that would otherwise
7 constitute the joint review board for the redevelopment project
8 area, before the adoption of the ordinance.

9 (f) Those dates, for purposes of real property tax
10 increment allocation financing pursuant to Section 11-74.4-8
11 only, shall be not more than 35 years for redevelopment project
12 areas that were established on or after December 1, 1981 but
13 before January 1, 1982 and for which at least \$1,500,000 worth
14 of tax increment revenue bonds were authorized on or after
15 September 30, 1990 but before July 1, 1991; provided that the
16 municipality elects to extend the life of the redevelopment
17 project area to 35 years by the adoption of an ordinance after
18 at least 14 but not more than 30 days' written notice to the
19 taxing bodies, that would otherwise constitute the joint review
20 board for the redevelopment project area, before the adoption
21 of the ordinance.

22 (g) In consolidating the material relating to completion
23 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,
24 it is not the intent of the General Assembly to make any
25 substantive change in the law, except for the extension of the
26 completion dates for the City of Aurora, the Village of Milan,

1 the City of West Frankfort, the Village of Libertyville, and
2 the Village of Hoffman Estates set forth under items (67),
3 (68), (69), (70), and (71) of subsection (c) of this Section.
4 (Source: P.A. 97-93, eff. 1-1-12; 97-372, eff. 8-15-11; 97-600,
5 eff. 8-26-11; 97-633, eff. 12-16-11; 97-635, eff. 12-16-11;
6 97-807, eff. 7-13-12; 97-1114, eff. 8-27-12; 98-109, eff.
7 7-25-13; 98-135, eff. 8-2-13; 98-230, eff. 8-9-13; 98-463, eff.
8 8-16-13; 98-614, eff. 12-27-13.)

9 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

10 Sec. 11-74.4-4. Municipal powers and duties; redevelopment
11 project areas. The changes made by this amendatory Act of the
12 91st General Assembly do not apply to a municipality that, (i)
13 before the effective date of this amendatory Act of the 91st
14 General Assembly, has adopted an ordinance or resolution fixing
15 a time and place for a public hearing under Section 11-74.4-5
16 or (ii) before July 1, 1999, has adopted an ordinance or
17 resolution providing for a feasibility study under Section
18 11-74.4-4.1, but has not yet adopted an ordinance approving
19 redevelopment plans and redevelopment projects or designating
20 redevelopment project areas under this Section, until after
21 that municipality adopts an ordinance approving redevelopment
22 plans and redevelopment projects or designating redevelopment
23 project areas under this Section; thereafter the changes made
24 by this amendatory Act of the 91st General Assembly apply to
25 the same extent that they apply to redevelopment plans and

1 redevelopment projects that were approved and redevelopment
2 projects that were designated before the effective date of this
3 amendatory Act of the 91st General Assembly.

4 A municipality may:

5 (a) By ordinance introduced in the governing body of the
6 municipality within 14 to 90 days from the completion of the
7 hearing specified in Section 11-74.4-5 approve redevelopment
8 plans and redevelopment projects, and designate redevelopment
9 project areas pursuant to notice and hearing required by this
10 Act. No redevelopment project area shall be designated unless a
11 plan and project are approved prior to the designation of such
12 area and such area shall include only those contiguous parcels
13 of real property and improvements thereon substantially
14 benefited by the proposed redevelopment project improvements.
15 Upon adoption of the ordinances, the municipality shall
16 forthwith transmit to the county clerk of the county or
17 counties within which the redevelopment project area is located
18 a certified copy of the ordinances, a legal description of the
19 redevelopment project area, a map of the redevelopment project
20 area, identification of the year that the county clerk shall
21 use for determining the total initial equalized assessed value
22 of the redevelopment project area consistent with subsection
23 (a) of Section 11-74.4-9, and a list of the parcel or tax
24 identification number of each parcel of property included in
25 the redevelopment project area.

26 (b) Make and enter into all contracts with property owners,

1 developers, tenants, overlapping taxing bodies, and others
2 necessary or incidental to the implementation and furtherance
3 of its redevelopment plan and project. Contract provisions
4 concerning loan repayment obligations in contracts entered
5 into on or after the effective date of this amendatory Act of
6 the 93rd General Assembly shall terminate no later than the
7 last to occur of the estimated dates of completion of the
8 redevelopment project and retirement of the obligations issued
9 to finance redevelopment project costs as required by item (3)
10 of subsection (n) of Section 11-74.4-3. Payments received under
11 contracts entered into by the municipality prior to the
12 effective date of this amendatory Act of the 93rd General
13 Assembly that are received after the redevelopment project area
14 has been terminated by municipal ordinance shall be deposited
15 into a special fund of the municipality to be used for other
16 community redevelopment needs within the redevelopment project
17 area.

18 (c) Within a redevelopment project area, acquire by
19 purchase, donation, lease or eminent domain; own, convey,
20 lease, mortgage or dispose of land and other property, real or
21 personal, or rights or interests therein, and grant or acquire
22 licenses, easements and options with respect thereto, all in
23 the manner and at such price the municipality determines is
24 reasonably necessary to achieve the objectives of the
25 redevelopment plan and project. No conveyance, lease,
26 mortgage, disposition of land or other property owned by a

1 municipality, or agreement relating to the development of such
2 municipal property shall be made except upon the adoption of an
3 ordinance by the corporate authorities of the municipality.
4 Furthermore, no conveyance, lease, mortgage, or other
5 disposition of land owned by a municipality or agreement
6 relating to the development of such municipal property shall be
7 made without making public disclosure of the terms of the
8 disposition and all bids and proposals made in response to the
9 municipality's request. The procedures for obtaining such bids
10 and proposals shall provide reasonable opportunity for any
11 person to submit alternative proposals or bids.

12 (d) Within a redevelopment project area, clear any area by
13 demolition or removal of any existing buildings and structures.

14 (e) Within a redevelopment project area, renovate or
15 rehabilitate or construct any structure or building, as
16 permitted under this Act.

17 (f) Install, repair, construct, reconstruct or relocate
18 streets, utilities and site improvements essential to the
19 preparation of the redevelopment area for use in accordance
20 with a redevelopment plan.

21 (g) Within a redevelopment project area, fix, charge and
22 collect fees, rents and charges for the use of any building or
23 property owned or leased by it or any part thereof, or facility
24 therein.

25 (h) Accept grants, guarantees and donations of property,
26 labor, or other things of value from a public or private source

1 for use within a project redevelopment area.

2 (i) Acquire and construct public facilities within a
3 redevelopment project area, as permitted under this Act.

4 (j) Incur project redevelopment costs and reimburse
5 developers who incur redevelopment project costs authorized by
6 a redevelopment agreement; provided, however, that on and after
7 the effective date of this amendatory Act of the 91st General
8 Assembly, no municipality shall incur redevelopment project
9 costs (except for planning costs and any other eligible costs
10 authorized by municipal ordinance or resolution that are
11 subsequently included in the redevelopment plan for the area
12 and are incurred by the municipality after the ordinance or
13 resolution is adopted) that are not consistent with the program
14 for accomplishing the objectives of the redevelopment plan as
15 included in that plan and approved by the municipality until
16 the municipality has amended the redevelopment plan as provided
17 elsewhere in this Act.

18 (k) Create a commission of not less than 5 or more than 15
19 persons to be appointed by the mayor or president of the
20 municipality with the consent of the majority of the governing
21 board of the municipality. Members of a commission appointed
22 after the effective date of this amendatory Act of 1987 shall
23 be appointed for initial terms of 1, 2, 3, 4 and 5 years,
24 respectively, in such numbers as to provide that the terms of
25 not more than 1/3 of all such members shall expire in any one
26 year. Their successors shall be appointed for a term of 5

1 years. The commission, subject to approval of the corporate
2 authorities may exercise the powers enumerated in this Section.
3 The commission shall also have the power to hold the public
4 hearings required by this division and make recommendations to
5 the corporate authorities concerning the adoption of
6 redevelopment plans, redevelopment projects and designation of
7 redevelopment project areas.

8 (l) Make payment in lieu of taxes or a portion thereof to
9 taxing districts. If payments in lieu of taxes or a portion
10 thereof are made to taxing districts, those payments shall be
11 made to all districts within a project redevelopment area on a
12 basis which is proportional to the current collections of
13 revenue which each taxing district receives from real property
14 in the redevelopment project area.

15 (m) Exercise any and all other powers necessary to
16 effectuate the purposes of this Act.

17 (n) If any member of the corporate authority, a member of a
18 commission established pursuant to Section 11-74.4-4(k) of
19 this Act, or an employee or consultant of the municipality
20 involved in the planning and preparation of a redevelopment
21 plan, or project for a redevelopment project area or proposed
22 redevelopment project area, as defined in Sections
23 11-74.4-3(i) through (k) of this Act, owns or controls an
24 interest, direct or indirect, in any property included in any
25 redevelopment area, or proposed redevelopment area, he or she
26 shall disclose the same in writing to the clerk of the

1 municipality, and shall also so disclose the dates and terms
2 and conditions of any disposition of any such interest, which
3 disclosures shall be acknowledged by the corporate authorities
4 and entered upon the minute books of the corporate authorities.
5 If an individual holds such an interest then that individual
6 shall refrain from any further official involvement in regard
7 to such redevelopment plan, project or area, from voting on any
8 matter pertaining to such redevelopment plan, project or area,
9 or communicating with other members concerning corporate
10 authorities, commission or employees concerning any matter
11 pertaining to said redevelopment plan, project or area.
12 Furthermore, no such member or employee shall acquire of any
13 interest direct, or indirect, in any property in a
14 redevelopment area or proposed redevelopment area after either
15 (a) such individual obtains knowledge of such plan, project or
16 area or (b) first public notice of such plan, project or area
17 pursuant to Section 11-74.4-6 of this Division, whichever
18 occurs first. For the purposes of this subsection, a property
19 interest acquired in a single parcel of property by a member of
20 the corporate authority, which property is used exclusively as
21 the member's primary residence, shall not be deemed to
22 constitute an interest in any property included in a
23 redevelopment area or proposed redevelopment area that was
24 established before December 31, 1989, but the member must
25 disclose the acquisition to the municipal clerk under the
26 provisions of this subsection. A single property interest

1 acquired within one year after the effective date of this
2 amendatory Act of the 94th General Assembly or 2 years after
3 the effective date of this amendatory Act of the 95th General
4 Assembly by a member of the corporate authority does not
5 constitute an interest in any property included in any
6 redevelopment area or proposed redevelopment area, regardless
7 of when the redevelopment area was established, if (i) the
8 property is used exclusively as the member's primary residence,
9 (ii) the member discloses the acquisition to the municipal
10 clerk under the provisions of this subsection, (iii) the
11 acquisition is for fair market value, (iv) the member acquires
12 the property as a result of the property being publicly
13 advertised for sale, and (v) the member refrains from voting
14 on, and communicating with other members concerning, any matter
15 when the benefits to the redevelopment project or area would be
16 significantly greater than the benefits to the municipality as
17 a whole. For the purposes of this subsection, a month-to-month
18 leasehold interest in a single parcel of property by a member
19 of the corporate authority shall not be deemed to constitute an
20 interest in any property included in any redevelopment area or
21 proposed redevelopment area, but the member must disclose the
22 interest to the municipal clerk under the provisions of this
23 subsection.

24 (o) Create a Tax Increment Economic Development Advisory
25 Committee to be appointed by the Mayor or President of the
26 municipality with the consent of the majority of the governing

1 board of the municipality, the members of which Committee shall
2 be appointed for initial terms of 1, 2, 3, 4 and 5 years
3 respectively, in such numbers as to provide that the terms of
4 not more than 1/3 of all such members shall expire in any one
5 year. Their successors shall be appointed for a term of 5
6 years. The Committee shall have none of the powers enumerated
7 in this Section. The Committee shall serve in an advisory
8 capacity only. The Committee may advise the governing Board of
9 the municipality and other municipal officials regarding
10 development issues and opportunities within the redevelopment
11 project area or the area within the State Sales Tax Boundary.
12 The Committee may also promote and publicize development
13 opportunities in the redevelopment project area or the area
14 within the State Sales Tax Boundary.

15 (p) Municipalities may jointly undertake and perform
16 redevelopment plans and projects and utilize the provisions of
17 the Act wherever they have contiguous redevelopment project
18 areas or they determine to adopt tax increment financing with
19 respect to a redevelopment project area which includes
20 contiguous real property within the boundaries of the
21 municipalities, and in doing so, they may, by agreement between
22 municipalities, issue obligations, separately or jointly, and
23 expend revenues received under the Act for eligible expenses
24 anywhere within contiguous redevelopment project areas or as
25 otherwise permitted in the Act. With respect to redevelopment
26 project areas that are established within a transit facility

1 improvement area, the provisions of this subsection apply only
2 with respect to such redevelopment project areas that are
3 contiguous to each other.

4 (q) Utilize revenues, other than State sales tax increment
5 revenues, received under this Act from one redevelopment
6 project area for eligible costs in another redevelopment
7 project area that is:

8 (i) contiguous to the redevelopment project area from
9 which the revenues are received;

10 (ii) separated only by a public right of way from the
11 redevelopment project area from which the revenues are
12 received; or

13 (iii) separated only by forest preserve property from
14 the redevelopment project area from which the revenues are
15 received if the closest boundaries of the redevelopment
16 project areas that are separated by the forest preserve
17 property are less than one mile apart.

18 Utilize tax increment revenues for eligible costs that are
19 received from a redevelopment project area created under the
20 Industrial Jobs Recovery Law that is either contiguous to, or
21 is separated only by a public right of way from, the
22 redevelopment project area created under this Act which
23 initially receives these revenues. Utilize revenues, other
24 than State sales tax increment revenues, by transferring or
25 loaning such revenues to a redevelopment project area created
26 under the Industrial Jobs Recovery Law that is either

1 contiguous to, or separated only by a public right of way from
2 the redevelopment project area that initially produced and
3 received those revenues; and, if the redevelopment project area
4 (i) was established before the effective date of this
5 amendatory Act of the 91st General Assembly and (ii) is located
6 within a municipality with a population of more than 100,000,
7 utilize revenues or proceeds of obligations authorized by
8 Section 11-74.4-7 of this Act, other than use or occupation tax
9 revenues, to pay for any redevelopment project costs as defined
10 by subsection (q) of Section 11-74.4-3 to the extent that the
11 redevelopment project costs involve public property that is
12 either contiguous to, or separated only by a public right of
13 way from, a redevelopment project area whether or not
14 redevelopment project costs or the source of payment for the
15 costs are specifically set forth in the redevelopment plan for
16 the redevelopment project area.

17 (r) If no redevelopment project has been initiated in a
18 redevelopment project area within 7 years after the area was
19 designated by ordinance under subsection (a), the municipality
20 shall adopt an ordinance repealing the area's designation as a
21 redevelopment project area; provided, however, that if an area
22 received its designation more than 3 years before the effective
23 date of this amendatory Act of 1994 and no redevelopment
24 project has been initiated within 4 years after the effective
25 date of this amendatory Act of 1994, the municipality shall
26 adopt an ordinance repealing its designation as a redevelopment

1 project area. Initiation of a redevelopment project shall be
2 evidenced by either a signed redevelopment agreement or
3 expenditures on eligible redevelopment project costs
4 associated with a redevelopment project.

5 Notwithstanding any other provision of this Section to the
6 contrary, with respect to a redevelopment project area
7 designated by an ordinance that was adopted on July 29, 1998 by
8 the City of Chicago, the City of Chicago shall adopt an
9 ordinance repealing the area's designation as a redevelopment
10 project area if no redevelopment project has been initiated in
11 the redevelopment project area within 15 years after the
12 designation of the area. The City of Chicago may retroactively
13 repeal any ordinance adopted by the City of Chicago, pursuant
14 to this subsection (r), that repealed the designation of a
15 redevelopment project area designated by an ordinance that was
16 adopted by the City of Chicago on July 29, 1998. The City of
17 Chicago has 90 days after the effective date of this amendatory
18 Act to repeal the ordinance. The changes to this Section made
19 by this amendatory Act of the 96th General Assembly apply
20 retroactively to July 27, 2005.

21 (Source: P.A. 96-1555, eff. 3-18-11; 97-333, eff. 8-12-11.)

22 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

23 Sec. 11-74.4-8. Tax increment allocation financing. A
24 municipality may not adopt tax increment financing in a
25 redevelopment project area after the effective date of this

1 amendatory Act of 1997 that will encompass an area that is
2 currently included in an enterprise zone created under the
3 Illinois Enterprise Zone Act unless that municipality,
4 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
5 amends the enterprise zone designating ordinance to limit the
6 eligibility for tax abatements as provided in Section 5.4.1 of
7 the Illinois Enterprise Zone Act. A municipality, at the time a
8 redevelopment project area is designated, may adopt tax
9 increment allocation financing by passing an ordinance
10 providing that the ad valorem taxes, if any, arising from the
11 levies upon taxable real property in such redevelopment project
12 area by taxing districts and tax rates determined in the manner
13 provided in paragraph (c) of Section 11-74.4-9 each year after
14 the effective date of the ordinance until redevelopment project
15 costs and all municipal obligations financing redevelopment
16 project costs incurred under this Division have been paid shall
17 be divided as follows:

18 (a) That portion of taxes levied upon each taxable lot,
19 block, tract or parcel of real property which is attributable
20 to the lower of the current equalized assessed value or the
21 initial equalized assessed value of each such taxable lot,
22 block, tract or parcel of real property in the redevelopment
23 project area (plus, with respect to any redevelopment project
24 area located within a transit facility improvement area
25 established pursuant to Section 11-74.4-3.3, 20% of the portion
26 calculated pursuant to subsection (b) of this Section) shall be

1 allocated to and when collected shall be paid by the county
2 collector to the respective affected taxing districts in the
3 manner required by law in the absence of the adoption of tax
4 increment allocation financing.

5 (b) Except from a tax levied by a township to retire bonds
6 issued to satisfy court-ordered damages, that portion (but,
7 with respect to any redevelopment project area located within a
8 transit facility improvement area established pursuant to
9 Section 11-74.4-3.3, only 80% of that portion), if any, of such
10 taxes which is attributable to the increase in the current
11 equalized assessed valuation of each taxable lot, block, tract
12 or parcel of real property in the redevelopment project area
13 over and above the initial equalized assessed value of each
14 property in the project area shall be allocated to and when
15 collected shall be paid to the municipal treasurer who shall
16 deposit said taxes into a special fund called the special tax
17 allocation fund of the municipality for the purpose of paying
18 redevelopment project costs and obligations incurred in the
19 payment thereof. In any county with a population of 3,000,000
20 or more that has adopted a procedure for collecting taxes that
21 provides for one or more of the installments of the taxes to be
22 billed and collected on an estimated basis, the municipal
23 treasurer shall be paid for deposit in the special tax
24 allocation fund of the municipality, from the taxes collected
25 from estimated bills issued for property in the redevelopment
26 project area, the difference between the amount actually

1 collected from each taxable lot, block, tract, or parcel of
2 real property within the redevelopment project area and an
3 amount determined by multiplying the rate at which taxes were
4 last extended against the taxable lot, block, track, or parcel
5 of real property in the manner provided in subsection (c) of
6 Section 11-74.4-9 by the initial equalized assessed value of
7 the property divided by the number of installments in which
8 real estate taxes are billed and collected within the county;
9 provided that the payments on or before December 31, 1999 to a
10 municipal treasurer shall be made only if each of the following
11 conditions are met:

12 (1) The total equalized assessed value of the
13 redevelopment project area as last determined was not less
14 than 175% of the total initial equalized assessed value.

15 (2) Not more than 50% of the total equalized assessed
16 value of the redevelopment project area as last determined
17 is attributable to a piece of property assigned a single
18 real estate index number.

19 (3) The municipal clerk has certified to the county
20 clerk that the municipality has issued its obligations to
21 which there has been pledged the incremental property taxes
22 of the redevelopment project area or taxes levied and
23 collected on any or all property in the municipality or the
24 full faith and credit of the municipality to pay or secure
25 payment for all or a portion of the redevelopment project
26 costs. The certification shall be filed annually no later

1 than September 1 for the estimated taxes to be distributed
2 in the following year; however, for the year 1992 the
3 certification shall be made at any time on or before March
4 31, 1992.

5 (4) The municipality has not requested that the total
6 initial equalized assessed value of real property be
7 adjusted as provided in subsection (b) of Section
8 11-74.4-9.

9 The conditions of paragraphs (1) through (4) do not apply
10 after December 31, 1999 to payments to a municipal treasurer
11 made by a county with 3,000,000 or more inhabitants that has
12 adopted an estimated billing procedure for collecting taxes. If
13 a county that has adopted the estimated billing procedure makes
14 an erroneous overpayment of tax revenue to the municipal
15 treasurer, then the county may seek a refund of that
16 overpayment. The county shall send the municipal treasurer a
17 notice of liability for the overpayment on or before the
18 mailing date of the next real estate tax bill within the
19 county. The refund shall be limited to the amount of the
20 overpayment.

21 It is the intent of this Division that after the effective
22 date of this amendatory Act of 1988 a municipality's own ad
23 valorem tax arising from levies on taxable real property be
24 included in the determination of incremental revenue in the
25 manner provided in paragraph (c) of Section 11-74.4-9. If the
26 municipality does not extend such a tax, it shall annually

1 deposit in the municipality's Special Tax Increment Fund an
2 amount equal to 10% of the total contributions to the fund from
3 all other taxing districts in that year. The annual 10% deposit
4 required by this paragraph shall be limited to the actual
5 amount of municipally produced incremental tax revenues
6 available to the municipality from taxpayers located in the
7 redevelopment project area in that year if: (a) the plan for
8 the area restricts the use of the property primarily to
9 industrial purposes, (b) the municipality establishing the
10 redevelopment project area is a home-rule community with a 1990
11 population of between 25,000 and 50,000, (c) the municipality
12 is wholly located within a county with a 1990 population of
13 over 750,000 and (d) the redevelopment project area was
14 established by the municipality prior to June 1, 1990. This
15 payment shall be in lieu of a contribution of ad valorem taxes
16 on real property. If no such payment is made, any redevelopment
17 project area of the municipality shall be dissolved.

18 If a municipality has adopted tax increment allocation
19 financing by ordinance and the County Clerk thereafter
20 certifies the "total initial equalized assessed value as
21 adjusted" of the taxable real property within such
22 redevelopment project area in the manner provided in paragraph
23 (b) of Section 11-74.4-9, each year after the date of the
24 certification of the total initial equalized assessed value as
25 adjusted until redevelopment project costs and all municipal
26 obligations financing redevelopment project costs have been

1 paid the ad valorem taxes, if any, arising from the levies upon
2 the taxable real property in such redevelopment project area by
3 taxing districts and tax rates determined in the manner
4 provided in paragraph (c) of Section 11-74.4-9 shall be divided
5 as follows:

6 (1) That portion of the taxes levied upon each taxable
7 lot, block, tract or parcel of real property which is
8 attributable to the lower of the current equalized assessed
9 value or "current equalized assessed value as adjusted" or
10 the initial equalized assessed value of each such taxable
11 lot, block, tract, or parcel of real property existing at
12 the time tax increment financing was adopted, minus the
13 total current homestead exemptions under Article 15 of the
14 Property Tax Code in the redevelopment project area (plus,
15 with respect to any redevelopment project area located
16 within a transit facility improvement area established
17 pursuant to Section 11-74.4-3.3, 20% of the portion
18 calculated pursuant to paragraph (2) below) shall be
19 allocated to and when collected shall be paid by the county
20 collector to the respective affected taxing districts in
21 the manner required by law in the absence of the adoption
22 of tax increment allocation financing.

23 (2) That portion (but, with respect to any
24 redevelopment project area located within a transit
25 facility improvement area established pursuant to Section
26 11-74.4-3.3, only 80% of that portion), if any, of such

1 taxes which is attributable to the increase in the current
2 equalized assessed valuation of each taxable lot, block,
3 tract, or parcel of real property in the redevelopment
4 project area, over and above the initial equalized assessed
5 value of each property existing at the time tax increment
6 financing was adopted, minus the total current homestead
7 exemptions pertaining to each piece of property provided by
8 Article 15 of the Property Tax Code in the redevelopment
9 project area, shall be allocated to and when collected
10 shall be paid to the municipal Treasurer, who shall deposit
11 said taxes into a special fund called the special tax
12 allocation fund of the municipality for the purpose of
13 paying redevelopment project costs and obligations
14 incurred in the payment thereof.

15 The municipality may pledge in the ordinance the funds in
16 and to be deposited in the special tax allocation fund for the
17 payment of such costs and obligations. No part of the current
18 equalized assessed valuation of each property in the
19 redevelopment project area attributable to any increase above
20 the total initial equalized assessed value, or the total
21 initial equalized assessed value as adjusted, of such
22 properties shall be used in calculating the general State
23 school aid formula, provided for in Section 18-8 of the School
24 Code, until such time as all redevelopment project costs have
25 been paid as provided for in this Section.

26 Whenever a municipality issues bonds for the purpose of

1 financing redevelopment project costs, such municipality may
2 provide by ordinance for the appointment of a trustee, which
3 may be any trust company within the State, and for the
4 establishment of such funds or accounts to be maintained by
5 such trustee as the municipality shall deem necessary to
6 provide for the security and payment of the bonds. If such
7 municipality provides for the appointment of a trustee, such
8 trustee shall be considered the assignee of any payments
9 assigned by the municipality pursuant to such ordinance and
10 this Section. Any amounts paid to such trustee as assignee
11 shall be deposited in the funds or accounts established
12 pursuant to such trust agreement, and shall be held by such
13 trustee in trust for the benefit of the holders of the bonds,
14 and such holders shall have a lien on and a security interest
15 in such funds or accounts so long as the bonds remain
16 outstanding and unpaid. Upon retirement of the bonds, the
17 trustee shall pay over any excess amounts held to the
18 municipality for deposit in the special tax allocation fund.

19 When such redevelopment projects costs, including without
20 limitation all municipal obligations financing redevelopment
21 project costs incurred under this Division, have been paid, all
22 surplus funds then remaining in the special tax allocation fund
23 shall be distributed by being paid by the municipal treasurer
24 to the Department of Revenue, the municipality and the county
25 collector; first to the Department of Revenue and the
26 municipality in direct proportion to the tax incremental

1 revenue received from the State and the municipality, but not
2 to exceed the total incremental revenue received from the State
3 or the municipality less any annual surplus distribution of
4 incremental revenue previously made; with any remaining funds
5 to be paid to the County Collector who shall immediately
6 thereafter pay said funds to the taxing districts in the
7 redevelopment project area in the same manner and proportion as
8 the most recent distribution by the county collector to the
9 affected districts of real property taxes from real property in
10 the redevelopment project area.

11 Upon the payment of all redevelopment project costs, the
12 retirement of obligations, the distribution of any excess
13 monies pursuant to this Section, and final closing of the books
14 and records of the redevelopment project area, the municipality
15 shall adopt an ordinance dissolving the special tax allocation
16 fund for the redevelopment project area and terminating the
17 designation of the redevelopment project area as a
18 redevelopment project area. Title to real or personal property
19 and public improvements acquired by or for the municipality as
20 a result of the redevelopment project and plan shall vest in
21 the municipality when acquired and shall continue to be held by
22 the municipality after the redevelopment project area has been
23 terminated. Municipalities shall notify affected taxing
24 districts prior to November 1 if the redevelopment project area
25 is to be terminated by December 31 of that same year. If a
26 municipality extends estimated dates of completion of a

1 redevelopment project and retirement of obligations to finance
2 a redevelopment project, as allowed by this amendatory Act of
3 1993, that extension shall not extend the property tax
4 increment allocation financing authorized by this Section.
5 Thereafter the rates of the taxing districts shall be extended
6 and taxes levied, collected and distributed in the manner
7 applicable in the absence of the adoption of tax increment
8 allocation financing.

9 Nothing in this Section shall be construed as relieving
10 property in such redevelopment project areas from being
11 assessed as provided in the Property Tax Code or as relieving
12 owners of such property from paying a uniform rate of taxes, as
13 required by Section 4 of Article IX of the Illinois
14 Constitution.

15 (Source: P.A. 98-463, eff. 8-16-13.)